

BEFORE THE
INDEPENDENT CITIZENS' OVERSIGHT COMMITTEE
TO THE
CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE
AND THE
APPLICATION REVIEW SUBCOMMITTEE
ORGANIZED PURSUANT TO THE
CALIFORNIA STEM CELL RESEARCH AND CURES ACT
REGULAR MEETING

LOCATION: CLAREMONT HOTEL
41 TUNNEL ROAD
BERKELEY, CALIFORNIA

DATE: MARCH 26, 2015
9 A.M.

REPORTER: BETH C. DRAIN, CSR
CSR. NO. 7152

BRS FILE NO.: 97347

BARRISTERS' REPORTING SERVICE

I N D E X

ITEM DESCRIPTION	PAGE NO.
REPORTS & DISCUSSION ITEMS	
1. CALL TO ORDER.	4
2. PLEDGE OF ALLEGIANCE.	4
3. ROLL CALL.	4
4. CHAIRMAN'S REPORT.	7
5. PRESIDENT'S REPORT.	10
6. FINANCE UPDATE.	27
ACTION ITEM	
7. CONSIDERATION OF APPLICATIONS FOR RFA 14-02: CIRM PRECLINICAL DEVELOPMENT AWARDS.	31
8. CONSIDERATION OF DEFERRED APPLICATIONS RT3-07836 AND RT3-07678 FOR RFA 13-05: CIRM TOOLS AND TECHNOLOGIES AWARDS III.	113
9. CONSIDERATION OF ADOPTION OF THE INTERIM GRANTS ADMINISTRATION POLICY FOR CLINICAL STAGE PROGRAMS.	121
10. CONSIDERATION OF ADOPTION OF AMENDMENTS TO GRANTS WORKING GROUP BYLAWS.	125
11. CONSIDERATION OF ADOPTION OF THE INTERIM LOAN ASSISTANCE PROGRAM FOR CLINICAL STAGE PROGRAMS.	POSTPONED
12. CONSIDERATION OF DELEGATION OF AUTHORITY FOR THE NEGOTIATION AND EXECUTION OF A LEASE FOR NEW OFFICE SPACE IN THE BAY AREA, ALONG WITH THE NEGOTIATION AND EXECUTION OF OTHER CONTRACTS NECESSARY FOR CIRM'S RELOCATION, TO THE CIRM PRESIDENT, IN CONSULTATION WITH THE CHAIR AND VICE CHAIR OF THE BOARD.	138

BARRISTERS' REPORTING SERVICE

I N D E X (CONT'D.)

13. CONSIDERATION OF APPOINTMENT OF NEW SCIENTIFIC MEMBERS AND PATIENT ADVOCATE MEMBER TO THE GRANTS WORKING GROUP.	153
14. CONSIDERATION OF POLICY TO EXTEND WORKERS' COMPENSATION COVERAGE TO CIRM VOLUNTEERS.	155
15. CONSIDERATION OF AUGMENTATION TO THE REMCHO, JOHANSEN & PURCELL, LLP CONTRACT.	159
16. & 17. CLOSED SESSION	162
DISCUSSION ITEMS	
18. COMMUNICATIONS UPDATE.	164
19. UPDATE ON THE CIRM IPSC INITIATIVE.	177
20. PUBLIC COMMENT	163

BARRISTERS' REPORTING SERVICE

1 BERKELEY, CALIFORNIA; THURSDAY, MARCH 26, 2015

2 9 A.M.

3

4 CHAIRMAN THOMAS: IF EVERYBODY COULD TAKE
5 YOUR SEATS, PLEASE. LIVE FROM THE SONOMA ROOM AT
6 THE BEAUTIFUL CLAREMONT HOTEL. THE MARCH 26TH,
7 2015, MEETING OF THE ICOC IS CALLED TO ORDER.
8 MARIA, WILL YOU PLEASE LEAD US IN THE PLEDGE OF
9 ALLEGIANCE.

10 (THE PLEDGE OF ALLEGIANCE.)

11 CHAIRMAN THOMAS: MARIA, WILL YOU PLEASE
12 CALL THE ROLL.

13 MS. BONNEVILLE: LINDA BOXER.

14 DR. BOXER: HERE.

15 MS. BONNEVILLE: DAVID BRENNER. KEN
16 BURTIS.

17 DR. BURTIS: HERE.

18 MS. BONNEVILLE: ANNE-MARIE DULIEGE.

19 DR. DULIEGE: HERE.

20 MS. BONNEVILLE: ELIZABETH FINI.

21 DR. FINI: HERE.

22 MS. BONNEVILLE: MICHAEL FRIEDMAN. JUDY
23 GASSON.

24 DR. GASSON: HERE.

25 MS. BONNEVILLE: DAVID HIGGINS.

BARRISTERS' REPORTING SERVICE

1 DR. HIGGINS: HERE.
2 MS. BONNEVILLE: STEPHEN JUELSGAARD.
3 MR. JUELSGAARD: HERE.
4 MS. BONNEVILLE: SHERRY LANSING. KATHY
5 LAPORTE.
6 DR. LAPORTE: HERE.
7 MS. BONNEVILLE: JACOB LEVIN.
8 DR. LEVIN: HERE.
9 MS. BONNEVILLE: BERT LUBIN. SHLOMO
10 MELMED. LAUREN MILLER.
11 MS. MILLER: HERE.
12 MS. BONNEVILLE: JOE PANETTA. FRANCISCO
13 PRIETO.
14 DR. PRIETO: HERE.
15 MS. BONNEVILLE: ROBERT QUINT. AL
16 ROWLETT.
17 MR. ROWLETT: HERE.
18 MS. BONNEVILLE: JEFF SHEEHY.
19 MR. SHEEHY: HERE.
20 MS. BONNEVILLE: OSWALD STEWARD. JONATHAN
21 THOMAS.
22 CHAIRMAN THOMAS: HERE.
23 MS. BONNEVILLE: ART TORRES.
24 MR. TORRES: HERE.
25 MS. BONNEVILLE: KRISTINA VUORI.

BARRISTERS' REPORTING SERVICE

1 DR. VUORI: HERE.

2 MS. BONNEVILLE: DONNA WESTON.

3 DR. WESTON: HERE.

4 MS. BONNEVILLE: DIANE WINOKUR.

5 MS. WINOKUR: HERE.

6 MS. BONNEVILLE: BRUCE WINTROUB.

7 DR. WINTROUB: HERE.

8 CHAIRMAN THOMAS: THANK YOU, MARIA. WE'LL
9 GO TO THE CHAIR'S REPORT. FIRST, AT THE TOP HERE
10 NEED TO MAKE A COUPLE OF ANNOUNCEMENTS. NO. 1 IS WE
11 HAVE A TIGHT SITUATION ON QUORUM TODAY. SO WE
12 REALLY NEED ALL MEMBERS TO BE PRESENT BOTH IN PERSON
13 AND THOSE ON THE PHONE UNTIL THE END OF THE MEETING,
14 WHICH I DON'T THINK IS GOING TO BE VERY LATE, BUT
15 NONETHELESS WE REALLY NEED EVERYBODY TO STICK
16 AROUND.

17 THE SECOND ANNOUNCEMENT IS DON REED IS
18 DOING A BOOK ABOUT CIRM AND PROP 71 AND STEM CELL
19 RESEARCH AND WOULD LOVE TO HAVE A PICTURE OF THE
20 BOARD AND OUR TEAM FOR THE BOOK. AND WE WOULD LIKE
21 TO HAVE THAT PICTURE TAKEN AT OUR BREAK, WHICH WILL
22 BE IN A BIT, BUT PLEASE EVERYBODY LISTEN UP FOR THAT
23 AND JOIN IN. IT'S A GREAT CHANCE TO GET EVERYBODY
24 DOWN IN HISTORY IN DON'S EXCELLENT WORK THAT HE'S
25 PUTTING TOGETHER.

BARRISTERS' REPORTING SERVICE

1 NOW ON SPECIFICALLY TO THE CHAIRMAN'S
2 REPORT. THERE WAS A LOT OF ACTIVITY OVER THE LAST
3 COUPLE OF MONTHS. ONE THING THAT'S ALWAYS VERY
4 INTERESTING IS A NUMBER OF OUR INSTITUTIONS THAT WE
5 FUND HOST ANNUAL STEM CELL SYMPOSIA WHICH BRING
6 TOGETHER EXTRAORDINARILY TALENTED SPEAKERS BOTH FROM
7 THOSE INSTITUTIONS AND FROM OUTSIDE. AND I HAD THE
8 PRIVILEGE OF REPRESENTING CIRM AT THREE OF THOSE.

9 UCSD HAD THEIR FIRST ANNUAL WHICH WAS HELD
10 IN THE DUANE ROTH AUDITORIUM DOWN AT THE CONSORTIUM
11 IN LA JOLLA. UCLA HAD, I BELIEVE, ITS ELEVENTH --
12 AND THAT IS RIGHT, JUDY?

13 DR. GASSON: YES.

14 CHAIRMAN THOMAS: -- AND CHILDREN'S
15 HOSPITAL LOS ANGELES HAD ITS ANNUAL AS WELL. HAD
16 THE OPPORTUNITY TO SAY A FEW WORDS AT THE FIRST
17 COUPLE AND TO GIVE THE KEYNOTE SPEECH AT LUNCH AT
18 THE CHILDREN'S HOSPITAL EVENT LAST WEEK.

19 IT'S ALWAYS VERY INTERESTING TO HEAR THE
20 PRESENTATIONS THERE. IT'S ALL ABOUT THE
21 CUTTING-EDGE SCIENCE THAT THE SPEAKERS ARE ENGAGED
22 IN, AND IT'S FURTHER EVIDENCE OF NOT ONLY THE GREAT
23 WORK THAT CIRM IS FUNDING, BUT THE GREAT WORK GOING
24 ON IN THE FIELD BOTH IN CALIFORNIA AND NATIONALLY.

25 ANOTHER EVENT THAT WAS VERY NICE, IN THE

BARRISTERS' REPORTING SERVICE

1 LAST TOOLS AND TECHNOLOGIES ROUND, THREE AWARDS WENT
2 TO USC. AND THERE WAS A VERY NICE EVENT HOSTED BY
3 DEAN PULIAFITO AND ANDY MCMAHON WHO RUNS THE STEM
4 CELL PROGRAM THERE WHERE THE THREE AWARDEES SPOKE
5 ABOUT THE PROJECTS THAT THEY RECEIVED FUNDING FOR TO
6 AN AUDIENCE OF MED STUDENTS AND DOCTORAL STUDENTS.
7 AND THAT WAS, AGAIN, A CHANCE TO HEAR WHAT GREAT
8 SCIENCE WE ARE FUNDING AND ENJOYED THAT.

9 WE HAD A GOOD DAY IN SACRAMENTO. SENATOR
10 TORRES TEED UP A FULL DAY. WE HAD OUR ANNUAL
11 APPEARANCE BEFORE THE STEM CELL FINANCE COMMITTEE
12 OVERSEEN BY THE STATE TREASURER WHERE THE BONDS THAT
13 ARE TO BE ISSUED SEMIANNUALLY ON BEHALF OF CIRM ARE
14 PROPERLY AUTHORIZED. SO SENATOR TORRES, MARIA, AND
15 I, REPRESENTING CIRM, WENT UP FOR THAT
16 AUTHORIZATION. THAT WAS FOLLOWED BY A NUMBER OF
17 MEETINGS WITH THE GOVERNOR'S OFFICE, WITH SOME KEY
18 MEMBERS OF THE LEGISLATURE, AND TOPPED OFF WITH
19 STATE TREASURER JOHN CHIANG AND SENIOR MEMBERS OF
20 HIS TEAM.

21 WE HAD SOME ACTIVITY IN THE LAST MONTH
22 WITH OUR COLLABORATIVE FUNDING PROGRAM. WE HAD A
23 DELEGATION FROM GERMANY. GEOFF LOMAX SET UP A
24 MEETING LAST WEEK WHERE WE MET TO TALK ABOUT CIRM
25 2.0 AND HOW THAT WILL FACTOR INTO THE COLLABORATIVE

BARRISTERS' REPORTING SERVICE

1 FUNDING PROGRAM. HAD FIVE REPRESENTATIVES FROM
2 GERMANY, A VERY LIVELY DISCUSSION, AND I THINK THEY
3 CAME AWAY FROM THAT VERY IMPRESSED WITH 2.0 AND
4 LOOKING FORWARD TO CONTINUED RELATIONS WITH CIRM
5 GOING FORWARD.

6 WE'VE HAD A LOT OF WORK, WHICH WE'LL HEAR
7 A BIT ABOUT FROM SENATOR TORRES, HAVING TO DO WITH
8 OUR OFFICE SPACE SITUATION, TOURING VARIOUS PLACES,
9 NUMEROUS MEETINGS. THAT'S STILL A WORK IN PROGRESS.

10 IN THE CONTINUING EFFORT TO EXPOSE CIRM TO
11 MAJOR STAKEHOLDERS IN THE FIELD, I SET UP A LUNCH
12 WITH THE CEO OF AMGEN, BOB BRADWAY, AND SENIOR
13 MEMBERS OF HIS TEAM. AND RANDY AND MARIA, AMY
14 LEWIS, AND I WENT DOWN TO THEIR THOUSAND OAKS CAMPUS
15 AND HAD A VERY GOOD EXCHANGE WITH THEM ALL TOWARDS
16 LOOKING TO DEVELOP RELATIONSHIPS, IN THIS CASE,
17 BETWEEN AMGEN AND CERTAIN OF OUR GRANTEES AND
18 PROJECTS THAT THEY MAY BE WORKING ON THAT COULD BE
19 OF MUTUAL INTEREST.

20 I THINK, AS ALWAYS, HAD A NUMBER OF
21 MEETINGS WITH MEMBERS OF THE BOARD, VARIOUS LUNCHES
22 OVER THIS PERIOD, AND THEN A LOT OF WORK WHICH RANDY
23 HAS SPENT HUGE AMOUNTS OF TIME ON IN ADDING TO OUR
24 SENIOR TEAM HERE AT CIRM.

25 SO WITH THAT, THAT CONCLUDES THE CHAIR'S

BARRISTERS' REPORTING SERVICE

1 REPORT. I WANT TO TURN IT OVER NOW TO DR. MILLS FOR
2 THE PRESIDENT'S REPORT.

3 DR. MILLS: THANK YOU, MEMBERS OF THE
4 BOARD, CHAIRMAN THOMAS. I WILL HOPEFULLY KEEP MY
5 REMARKS SOMEWHAT PITHY TODAY, BUT THERE ARE A COUPLE
6 OF IMPORTANT THINGS TO GO OVER.

7 JUST AN OVERVIEW OF THE FIVE THINGS THAT I
8 WANT TO MENTION. FIRST IS, AS ALWAYS, GO OVER OUR
9 MISSION THERE AND THE FIVE-PART TEST. I WANT TO
10 GIVE AN UPDATE NEXT ON THE ACTUAL WORKINGS OF CIRM
11 2.0 FOR THE CLINICAL STAGE AND ACTUALLY JUST WALK
12 THROUGH WHAT WE'VE EXPERIENCED SO FAR. I FIND IT
13 INTERESTING AND NEAT AND I HOPE YOU GUYS DO, AND
14 TALK A LITTLE BIT ABOUT SOME OF THE LESSONS WE'RE
15 LEARNING ON THAT. WE DEVELOPED WHAT WE CALL A
16 PUNCHLIST. SO AS WE GO THROUGH THIS PROCESS, WHAT
17 ARE THE THINGS THAT WE NEED TO BASICALLY IMPROVE
18 UPON FOR MAYBE WHAT WE WOULD CALL CIRM 2.1?

19 I'M GOING TO TELL YOU A LITTLE BIT ABOUT
20 WHERE WE'RE GOING WITH REGARDS TO OUR DISCOVERY AND
21 TRANSLATIONAL PORTIONS OF CIRM 2.0. I WANT TO MAKE
22 SOME BRIEF COMMENTS ON CONSIDERATION AND DISCUSSIONS
23 THAT WE'RE HAVING REGARDING MODIFYING THE GRANTS AND
24 LOANS PROGRAMS, AND THEN END WITH JUST A RUNDOWN ON
25 WHAT'S TO COME.

BARRISTERS' REPORTING SERVICE

1 SO, AS ALWAYS, OUR MISSION, ACCELERATING
2 STEM CELL TREATMENTS TO PATIENTS WITH UNMET MEDICAL
3 NEEDS. THE VALIDATION TESTING THAT WE'RE USING FOR
4 CIRM 2.0, WHEN WE CONSIDER THESE CENTERS, AROUND
5 ASKING OURSELVES FOUR QUESTIONS. ONE, IS THE ACTION
6 WE'RE TAKING GOING TO SPEED UP THE DEVELOPMENT OF A
7 STEM CELL TREATMENT? TWO, IS IT GOING TO INCREASE
8 THE LIKELIHOOD OF SUCCESS? THREE, IS IT ADDRESSING
9 AN ACTUAL UNMET MEDICAL NEED? AND THEN LASTLY, IS
10 IT EFFICIENT? AND IF WE CAN ANSWER YES TO THESE
11 QUESTIONS, THEN WE KNOW WE'RE GENERALLY DOING
12 SOMETHING THAT'S GOING TO BE POSITIVE. AND THAT'S
13 BEEN BASICALLY A STANDARD THAT WE'VE BEEN USING NOW
14 AS WE MOVE THROUGH CIRM AND LOOK NOW IN DISCOVERY
15 AND TRANSLATIONAL PROGRAMS AND CERTAINLY IN THE
16 CLINICAL PROGRAM ON HOW WE COULD MAKE CIRM BETTER
17 AND MORE RESPONSIVE TO ITS MISSION.

18 SO WITH THAT, LET ME JUMP INTO HOW CIRM
19 2.0 FOR THE CLINICAL STAGES IS GOING. SO RECALL
20 THAT WE LAUNCHED JANUARY 1ST, JANUARY 1ST OF THIS
21 YEAR, THE FIRST RFA'S UNDER CIRM 2.0 WHICH WERE FOR
22 THE CLINICAL SECTION. IT'S ALSO IMPORTANT TO
23 REMEMBER, AS WE'VE SAID ALL ALONG, WHILE THAT IS
24 WHERE WE STARTED, THAT IS NOT WHERE WE ARE ENDING.
25 WE ARE ALSO CURRENTLY AND ACTIVELY DEVELOPING THE

BARRISTERS' REPORTING SERVICE

1 2.0 COUNTERPARTS TO TRANSLATIONAL AND DISCOVERY
2 PHASE WORK AS WELL. BUT WE NEEDED TO START
3 SOMEWHERE, SO WE STARTED WITH CLINICAL.

4 WE DID SO BY ISSUING THESE THREE RFA'S,
5 AND WE USE, AS ANY GOOD GOVERNMENT AGENCY DOES, WE
6 USE CODE NAMES, AND SO 15-01, 15-02, AND 15-03, AS
7 THEY ARE CALLED. I WILL DECODE THEM FOR YOU, BUT
8 YOU CAN'T TELL ANYBODY. 15-01 STANDS FOR A PROGRAM
9 THAT IS ABOUT TO GET AN IND, SO APPROXIMATELY 24
10 MONTHS AWAY FROM GETTING AN IND, BUT IT'S NOT YET IN
11 A CLINICAL TRIAL. 15-02 IS FOR ANY PROGRAM'S
12 CLINICAL TRIAL, PHASE I, PHASE II, OR PHASE III.
13 AND THEN 15-03 BASICALLY TAKES THE CONCEPT THAT WE
14 HAD WITH THE ACCELERATED DEVELOPMENT PATHWAY AND
15 SAYS IF ANYONE HAS A 15-01 OR A 15-02 GRANT, WE CAN
16 BOLT ON 15-03 TO MAKE IT FASTER OR BETTER OR
17 STRONGER, KIND OF THE \$6-MILLION-MAN APPROACH.

18 SO THESE ARE THE THREE PROGRAMS THAT ARE
19 UP AND ACTIVE. AND THESE, AS I SAID, WE OPENED
20 THESE UP JANUARY 1ST. WE REVIEW THESE IN BATCHES ON
21 A MONTHLY BASIS, AND SO THE FIRST BATCH CLOSED
22 JANUARY 30TH AND WHATEVER THE LAST BUSINESS DAY OF
23 THE MONTH IN FEBRUARY IS WHEN THAT ONE CLOSED. I
24 CAN'T REMEMBER. I'LL TAKE YOU THROUGH HOW THEY'RE
25 ACTUALLY GOING.

BARRISTERS' REPORTING SERVICE

1 SO IN JANUARY WE HAD TWO SUBMISSIONS.
2 BOTH OF THEM WERE 15-02, WHICH IS THE CLINICAL TRIAL
3 STAGE. THE FIRST THING WE DO WITHIN THE FIRST 7
4 DAYS OF AN APPLICATION COMING IN IS WE DO A
5 SCREENING FOR IT. AND THAT SCREENING IS IS IT
6 BASICALLY COMPLIANT IN SCOPE WITH THE RFA THAT THEY
7 ARE APPLYING FOR? WITH REGARDS TO THE TWO THAT WE
8 RECEIVED IN JANUARY, ONE WAS COMPLIANT AND ONE WAS
9 NOT COMPLIANT. AND IT WASN'T ACTUALLY COMPLIANT FOR
10 A NUMBER OF REASONS. IT WILL BE INTERESTING. I'LL
11 TALK A LITTLE BIT ABOUT IT ON THE NEXT SLIDE. IT
12 WAS AN APPLICATION I THINK WE'VE ACTUALLY HAD THE
13 ABILITY TO HELP OUT AND WE WILL SEE AGAIN IN A
14 BETTER FORM.

15 AFTER THE SEVEN-DAY SCREENING, WE SEND IT
16 OFF TO BUDGET REVIEW. THESE ARE ALL TARGET DATES
17 YOU CAN SEE UNDERNEATH THE DIFFERENT STEPS. SO WE
18 SET A TARGET DATE OF 21 DAYS AFTER THE SUBMISSION
19 FOR THE BUDGET REVIEW TO BE COMPLETE. SO THE ONE
20 APPLICATION THAT WAS SENT TO BUDGET REVIEW PASSED
21 THAT BUDGET REVIEW WITHIN 21 DAYS AND THEN WITHIN 30
22 DAYS WAS SENT TO THE GRANTS WORKING GROUP FOR
23 REVIEW.

24 THAT'S WHERE WE ARE RIGHT NOW ON THAT.
25 THE GRANTS WORKING GROUP WILL REVIEW THAT FIRST

BARRISTERS' REPORTING SERVICE

1 APPLICATION ON MARCH 30TH, SO NEXT MONDAY. WE WILL
2 THEN HAVE A CIRM RECOMMENDATION BY APRIL 10TH, AND
3 IT WILL GO TO THE ICOC ON APRIL 23D, WITH A 120-DAY
4 CONTRACT SIGN DATE OBVIOUSLY STILL PENDING THE
5 OUTCOMES OF ALL OF THAT.

6 IN FEBRUARY WE HAD TWO MORE APPLICATIONS
7 COME ON. ONE OF THESE WAS FOR AN EARLIER, THE
8 PRECLINICAL STAGE AWARD. ONE OF THEM WAS FOR A
9 CLINICAL TRIAL STAGED AWARD. THE PRECLINICAL AWARD
10 PASSED THE SCREENING REVIEW. THE CLINICAL TRIAL
11 AWARD DID NOT PASS. THEY DIDN'T PASS THAT REVIEW
12 BECAUSE THERE WERE, AGAIN, A NUMBER OF PROBLEMS WITH
13 IT, BUT THE MOST OBVIOUS WAS IT HAD NOTHING TO DO
14 WITH STEM CELLS. SO THAT WAS AN ISSUE. IT THEN
15 WENT -- THE ONE THAT DID PASS WENT ON TO BUDGET
16 REVIEW. IT PASSED ITS BUDGET REVIEW AND WILL BE
17 SENT TO THE GRANTS WORKING GROUP BY APRIL 1ST.

18 AND SO SO FAR IT'S -- YOU CAN SEE THE
19 REMAINDER OF THE TARGET DATES FROM THERE ON OUT. SO
20 FAR MECHANISTICALLY IT'S WORKING THE WAY WE HOPED.
21 WE WERE ABLE TO, SOME OF IT BY BRUTE FORCE, BUT WE
22 WERE ABLE TO KEEP EVERYTHING ON SCHEDULE AND WITHIN
23 THE TIMELINES. BUT THERE ARE A COUPLE OF THINGS
24 THAT WE HAVE SEEN SO FAR THAT WE WANT TO CHANGE AND
25 IMPROVE, AND WE CALL THIS THE PUNCHLIST.

BARRISTERS' REPORTING SERVICE

1 THIS IS LIKE IF YOU BUILD A HOUSE, YOU GO
2 THROUGH THE HOUSE RIGHT AFTER YOU'VE DONE IT AND YOU
3 MAKE A LIST OF ALL THE THINGS THAT ARE NOT QUITE
4 RIGHT THAT YOU WANT TO MAKE BETTER. AND SO THIS IS
5 OUR 2.0 CLINICAL PUNCHLIST SO FAR. IT'S A LIST THAT
6 WILL CONTINUE TO GROW ALL FOR THE PURPOSE OF TRYING
7 TO MAKE THE PROGRAM BETTER.

8 THE FIRST ONE THAT WE'VE SEEN, JUST AS AN
9 OVERSIGHT, WE NEED TO CLARIFY THE TYPES OF THERAPIES
10 AND PARTICULARLY CELL THERAPIES THAT ARE ELIGIBLE.
11 WE SAID SMALL MOLECULES COULD BE USED TO ATTACK
12 CANCER STEM CELLS, BUT WE DIDN'T SAY THAT CELLS
13 COULD BE USED TO ATTACK CANCER STEM CELLS. THAT WAS
14 JUST AN OVERSIGHT ON OUR PART.

15 WE NEED TO CLARIFY SOME OF THE CO-FUNDING
16 DOCUMENTATION THAT'S REQUIRED. SO ONE OF THE GRANTS
17 THAT WAS RECEIVED IN JANUARY THAT ENDED UP FAILING
18 HAD AN ISSUE ASSOCIATED WITH THE CO-FUNDING
19 DOCUMENTATION JUST SIMPLY WASN'T REQUIRED, AND WE
20 NEED TO BE MORE CLEAR THAT THAT DOCUMENTATION IS
21 NEEDED ON THE FRONT END.

22 THERE WAS A LITTLE BIT OF CONFUSION ON
23 MATCHING, THAT WE'RE MATCHING TO THE TOTAL PROJECT
24 COST, NOT JUST THE DIRECT. AGAIN, I THINK THAT'S
25 SOMETHING WE CAN BE MORE CLEAR ABOUT.

BARRISTERS' REPORTING SERVICE

1 WE ALSO NEED TO REQUEST MORE DETAILED
2 ENROLLMENT WHEN WE'RE TALKING ABOUT A CLINICAL
3 TRIAL. SO WHAT WE GET RIGHT NOW IS WE PROJECT THE
4 TRIAL WILL BE FULLY ENROLLED BY BLANK DATE. WHAT WE
5 REALLY NEED IS WHAT WE EXPECT THE ENROLLMENT OVER
6 THE TRIAL TO BE IN SOME MORE DETAILED FASHION THAN
7 WE CURRENTLY GET.

8 AND THEN LASTLY, I THINK THIS IS ONE OF
9 THE MORE INTERESTING THINGS, IS WE'RE IN THE PROCESS
10 OF ADDING AN IMMEDIATE WHAT WE CALL GRANT COUNSELING
11 STEP. AND THIS ONE WE DID NOT BY ANY PRESCRIBED
12 PROCEDURE, BUT ACTUALLY JUST IN TERMS OF TRYING TO
13 PROVIDE GOOD CUSTOMER SERVICE TO OUR APPLICANTS ON
14 THE FIRST APPLICATION THAT CAME IN WHERE WE HAD A
15 GRANT THAT ACTUALLY HAD A REASON FOR IT NOT BEING
16 WITHIN SCOPE. BESIDES THAT, WE HAD A GRANT THAT WAS
17 WRITTEN AND CONSTRUCTED IN A WAY TO WHERE IF IT
18 WOULD HAVE GONE TO THE GRANTS WORKING GROUP, IT
19 WOULD HAVE GOTTEN A VERY BAD SCORE. AND THAT HAD TO
20 DO WITH PARTS OF THE APPLICATION WERE JUST IN THE
21 WRONG SECTION. THEY DIDN'T PUT ANY CLINICAL DATA IN
22 THE CLINICAL DATA SECTION. AND IN THE CLINICAL
23 OPERATIONS PLAN THEY DIDN'T QUITE UNDERSTAND WHAT
24 THAT MEANS, AND SO THEY PUT THE WRONG DOCUMENTATION
25 INTO THERE.

BARRISTERS' REPORTING SERVICE

1 AND BECKY AND GIL FIGURED THIS OUT IS WHAT
2 WE SHOULD PROBABLY DO IS JUST CALL THEM INFORMALLY
3 AND SAY, LOOK, IF THIS GOES TO THE GWG, THIS IS NOT
4 GOING TO GO WELL FOR YOU. YOU MAY WANT TO CONSIDER
5 PULLING YOUR GRANT, REVISING IT, GETTING THE STUFF
6 IN THE RIGHT PLACES. WE'LL TALK YOU THROUGH THAT.
7 CLEARLY YOU MISUNDERSTOOD SOME THINGS. WE'LL HELP
8 YOU WITH THAT. SO WE DON'T PUT THE GWG THROUGH AN
9 ENTIRE REVIEW PROCESS FOR AN APPLICATION THAT WE
10 COULD HAVE HELPED CLEAN UP ON THE FRONT END.

11 SO IT'S JUST ANOTHER THING WE'RE DOING IN
12 ORDER, AS I SAID, TO PROVIDE BETTER CUSTOMER SERVICE
13 TO OUR APPLICANTS BECAUSE IF OUR APPLICANTS AREN'T
14 SUCCESSFUL, OBVIOUSLY OUR PATIENTS AREN'T GOING TO
15 BENEFIT FROM THAT KIND OF WORK. SO THAT'S OUR
16 PUNCHLIST RIGHT NOW.

17 WE ARE KEEPING A VERY CRITICAL EYE ON WHAT
18 WE'RE DOING. I EXPECT THE LIST TO GROW, AND I WANT
19 THE LIST TO GROW BECAUSE I WANT THE PRODUCT TO GET
20 BETTER OBVIOUSLY.

21 NOW TURNING TO WHAT WE'RE DOING ON
22 DISCOVERY AND TRANSLATIONAL, SO THE EARLIER TWO
23 PHASES OF PROGRAMS THAT WE OFFER. HERE, I THINK,
24 WE'VE DONE A NICE JOB -- AND I SAY WE, I MEAN THE
25 DISCOVERY AND TRANSLATIONAL TEAM LED BY PAT OLSON --

BARRISTERS' REPORTING SERVICE

1 IN REACHING OUT WITHIN THE ENTIRETY OF CIRM AND
2 SOLICITING IDEAS AND INFORMATION. WE'RE ALSO DOING
3 THE SAME THING EXTERNALLY. SO IF WE HAVEN'T GOTTEN
4 TO YOUR CITY YET, WE WILL BE GETTING TO YOUR CITY
5 AND SETTING UP MEETINGS WITH STAKEHOLDERS IN ORDER
6 TO REALLY, REALLY TRY TO FIND OUT WHAT IS DRIVING
7 AND WHAT MOTIVATES OUR STAKEHOLDERS TO PERFORM THE
8 BEST AND HOW WE CAN FIGURE OUT INNOVATIVE WAYS OF
9 ALIGNING THAT WITH WHAT CIRM NEEDS, WHICH I THINK
10 SOMETIMES ARE NOT ALWAYS ALIGNED. WE NEED TO JUST
11 TAKE AN HONEST LOOK AT THAT AND SEE IF WE CAN FIGURE
12 OUT A WAY WHERE WE BOTH GET WHAT WE NEED.

13 SOME OF THE ATTRIBUTES SO FAR THAT WE HAVE
14 IDENTIFIED -- AGAIN, THIS PROCESS IS STILL VERY
15 EARLY AND VERY FORMATIVE. BUT SOME OF THE
16 ATTRIBUTES THAT WE ALREADY DISCOVERED THAT WE LIKE,
17 FIRST AND FOREMOST, PREDICTABLE REQUESTS FOR
18 APPLICATIONS. WE THINK THIS IDEA OF MAKING SURE OUR
19 RESEARCHERS KNOW THAT THE PROGRAM IS OPEN AND WILL
20 REMAIN OPEN OR WILL OPEN AGAIN WITH SOME PREDICTABLE
21 FASHION LET'S THEM SUBMIT AN APPLICATION WHEN
22 THEY'RE READY TO SUBMIT THE APPLICATION AND NOT
23 SUBMIT AN APPLICATION THAT'S NOT READY FOR PRIME
24 TIME. SO WE WANT TO HAVE PREDICTABILITY THERE.

25 WE ALSO WANT OUR APPLICATION AND OUR CALLS

BARRISTERS' REPORTING SERVICE

1 TO BE RESPONSIVE. THAT'S BOTH RESPONSIVE TO NEW
2 DEVELOPMENTS THAT MIGHT BE TAKING PLACE IN THE
3 FIELD, BUT ALSO RESPONSIVE TO NEEDS THAT CIRM MIGHT
4 HAVE OR CIRM AWARD HOLDERS MIGHT HAVE. AND SO, FOR
5 EXAMPLE, IF SOMETHING IN TRANSLATIONAL OR CLINICAL
6 RUNS INTO A PROBLEM THAT A DISCOVERY-TYPE PROGRAM
7 COULD ANSWER, WE WANT TO HAVE SOME FEEDBACK
8 MECHANISM TO WHERE WE CAN USE DISCOVERY IN ORDER TO
9 ADDRESS THAT.

10 ONE OF THE MORE EYE-OPENING THINGS THAT
11 WE'VE COME ACROSS IS THIS IDEA OF MULTIPLE OUTFLOW
12 PATHWAYS FROM DISCOVERY. SO ACTUALLY THE WAY WE
13 TALK ABOUT IT AND I THINK AS WE'VE TALKED ABOUT IT
14 MIGHT JUST BE WRONG IN THIS LINEAR DISCOVERY,
15 TRANSLATION, CLINICAL PARADIGM THAT WE HAD BECAUSE
16 THAT'S TRUE, BUT THAT'S ONLY TRUE IF THE ONLY THING
17 THAT CAN COME OUT OF DISCOVERY IS A DRUG THAT GOES
18 THROUGH TRANSLATION AND INTO THE CLINIC. BUT WE
19 HAVE OPPORTUNITIES TO HAVE THINGS COME OUT OF
20 DISCOVERY THAT ARE MEDICAL DEVICES WHICH ARE A
21 DIFFERENT PATHWAY. WE HAVE THINGS THAT COME OUT
22 THAT ARE MODELS WHICH IS A DIFFERENT PATHWAY, HIGH
23 THROUGHPUT DRUG SCREENING TECHNOLOGIES. WE HAVE
24 PROGRAMS IN PLACE TO HELP DISCOVER THOSE THINGS, BUT
25 WE DON'T HAVE PROGRAMS IN PLACE TO TAKE THOSE THINGS

BARRISTERS' REPORTING SERVICE

1 TO THEIR ULTIMATE SUCCESSFUL OUTCOME. AND SO WE'RE
2 LOOKING AT ADDING MULTIPLE OUTFLOW PATHWAYS FROM
3 DISCOVERY, NOT JUST THOSE THAT DIRECTLY GO TO AND
4 ASSUME WHAT YOU ARE DOING IS TAKING A STEM CELL AND
5 PUTTING IT INTO A PATIENT.

6 ANOTHER CONCEPT IS LINKING GRANTS
7 SEAMLESSLY. SO IF WE HAVE A RESEARCHER THAT'S DOING
8 REALLY, REALLY GREAT WORK, WE NEED TO MAKE SURE WE
9 ARE NOT THE THING THAT SLOWS THEM DOWN. THEY NEED
10 TO BE ABLE TO CONTINUE DOING THAT GREAT WORK AS
11 SEAMLESSLY AS POSSIBLE.

12 THIS IS LINKED TO ANOTHER CONCEPT THAT
13 WE'VE DISCOVERED WHICH IS A LOT OF TIMES AND
14 OFTENTIMES THERE COMES A POINT IN RESEARCH WHERE THE
15 EARLY STAGE RESEARCHER DOES NOT HAVE THE INTEREST,
16 ABILITY, INCLINATION, TALENT, LAB, WHATEVER IT MIGHT
17 BE, JUST ABILITY TO DO THE NEXT STAGE OF RESEARCH.
18 AND SO WE NEED TO FIND WAYS TO WHERE WE CAN MOTIVATE
19 PEOPLE THAT HAVE SOMETHING IN AN EARLIER STAGE WHERE
20 THEY'VE TAKEN IT AS FAR AS THEY WANT TO TAKE IT OR
21 CAN TAKE IT TO BE ABLE TO PASS THE BATON TO THE NEXT
22 PERSON SO THEY CAN TAKE IT FORWARD QUICKLY AND WE
23 CAN GET FURTHER DOWN THE ROAD TOWARDS TREATING
24 PATIENTS.

25 WE TALKED ABOUT THIS AT THE LAST MEETING.

BARRISTERS' REPORTING SERVICE

1 I WILL TELL YOU IT IS A CENTERPIECE OF WHAT'S GOING
2 TO COME OUT OF OUR DISCOVERY AND TRANSLATION -- SEE,
3 WE HAVE A CODE FOR THAT. IT'S CALLED D & T. -- IS
4 SIGNIFICANT OPPORTUNITIES FOR TRAINING WHERE WE'RE
5 GOING TO BE VERY, VERY EXPLICIT IN THE DISCOVERY AND
6 TRANSLATIONAL CALLS THAT TRAINING IS GOING TO BE A
7 STATED OBJECTIVE OF THAT. AND SO WE'RE GOING TO DO
8 WHAT WE CAN, WHEN WE HAVE PROMISING PROGRAMS, TO
9 ALSO MAKE SURE THAT WE HAVE PROMISING SCIENTISTS
10 BEING TRAINED AND THAT CIRM IS SUPPORTING THOSE
11 PROMISING SCIENTISTS BEING TRAINED IN THOSE
12 PROGRAMS.

13 THE LAST THING IS BASICALLY ALSO WHAT I
14 STARTED WITH, WHICH CENTERS AROUND HONESTLY AND
15 OBJECTIVELY TAKING A LOOK AT THOSE FACTORS THAT
16 INTEREST AND MOTIVATE AND INCENTIVIZE THE
17 RESEARCHERS AND FIGURE OUT HOW WE CAN ALIGN THOSE
18 WITH WHAT CIRM ULTIMATELY NEEDS FOR THAT PARTICULAR
19 STAGE.

20 SO THAT'S WHERE WE ARE WITH DISCOVERY AND
21 TRANSLATION. AS I SAID, IT IS STILL IN ITS EARLY
22 FORMATIVE STAGES. WE ARE NOT NEARLY DONE COLLECTING
23 INFORMATION FROM STAKEHOLDERS. AS I SAID, IF WE
24 HAVEN'T GOTTEN THERE, WE'LL BE COMING TO A CITY NEAR
25 YOU SHORTLY. ULTIMATELY THIS IS SCHEDULED TO COME

BARRISTERS' REPORTING SERVICE

1 TO THE BOARD AS A CONCEPT PLAN IN JULY.

2 OKAY. THEN REALLY THE LAST DISCRETE TOPIC
3 THAT I WANT TO TALK ABOUT CENTERS AROUND OUR LOAN
4 AND GRANTS PROGRAM AND MODIFICATIONS THAT WERE
5 CONSIDERING HERE. SO RECALL THAT CURRENTLY IF YOU
6 GET AN AWARD FROM CIRM, YOU HAVE TWO OPTIONS IN
7 ORDER TO TAKE THAT AWARD. YOU CAN TAKE IT AS A LOAN
8 AND PAY IT BACK AND NOT HAVE ROYALTY OBLIGATIONS OR
9 YOU CAN TAKE IT AS A GRANT, NOT HAVE TO PAY IT BACK,
10 BUT HAVE ROYALTY OBLIGATIONS. AND SO WHAT WE'RE
11 LOOKING TO DO IS WE'RE LOOKING TO SEE IF THERE'S A
12 WAY OF COMBINING THOSE TWO. AND THE PURPOSE OF THIS
13 IS TO ADDRESS WHAT I BELIEVE IS OUR PRIMARY
14 OBJECTIVE, WHICH IS TO PROVIDE A FAIR FUNDING
15 MECHANISM THAT DOES NOT INADVERTENTLY DISSUADE
16 PEOPLE FROM PARTNERING WITH CIRM.

17 SO CLEARLY IT HAS TO BE FAIR TO THE STATE
18 OF CALIFORNIA AND THE TAXPAYERS, BUT WE ALSO DON'T
19 WANT SOMETHING THAT INADVERTENTLY CREATES TOO HIGH
20 OF A SPEED BUMP THAT PEOPLE WITH PROMISING
21 TECHNOLOGIES ELECT NOT TO PARTICIPATE WITH CIRM
22 BECAUSE OF SOME INADVERTENT FEATURE TO EITHER ONE OF
23 THOSE TWO MECHANISMS.

24 AND SO WHAT WE'RE CONSIDERING -- AGAIN,
25 THIS IS STILL ON THE DRAWING TABLE -- IS IF WE

BARRISTERS' REPORTING SERVICE

1 COMBINED THE TWO WHERE WE ALLOWED THE RECIPIENT TO
2 ELECT WHETHER OR NOT THEY WOULD CONVERT IT -- WHERE
3 THE GRANT WOULD GET CONVERTED INTO A LOAN, WE COULD
4 ADDRESS THE TWO MAJOR COMPLAINTS THAT WE HEAR. ONE
5 OF THEM, WHICH IS SOMETIMES, AND THIS IS NOT ALWAYS,
6 BUT SOMETIMES LARGER COMPANIES DO NOT LIKE TO TAKE
7 ON PROJECTS THAT ARE ENCUMBERED WITH ROYALTY
8 OBLIGATIONS FROM SMALLER COMPANIES. THE OTHER
9 PROBLEM WE HAVE IS THAT SMALLER COMPANIES OFTENTIMES
10 DON'T LIKE HAVING A HUGE AMOUNT OF DEBT ON THEIR
11 BALANCE SHEET, EVEN AS IN CIRM'S CASE, IF THAT DEBT
12 IS FORGIVABLE IF THE PROGRAM DOESN'T WORK. SO WE'RE
13 HOPING THAT IF WE CAN GET THIS ELECTION PROCESS TO
14 WORK, THAT WE COULD BASICALLY HAVE THE BEST OF BOTH
15 WORLDS. THESE COMPANIES WOULDN'T HAVE TO CARRY IT
16 ON THEIR BALANCE SHEETS AS DEBT; BUT IF THEY WANTED
17 TO, THEY COULD CONVERT IT INTO DEBT AND PAY IT OFF.

18 IT'S MORE OF A JAMES ISSUE, BUT THIS
19 MECHANISM OF COMBINING THESE TWO AND BASICALLY
20 GETTING RID OF THE LOAN PROGRAM AS WE HAVE NOW WOULD
21 SIGNIFICANTLY STREAMLINE THE PROCESS THAT WE HAVE
22 AND WOULD MAKE IT MORE SIMPLE FROM AN ADMINISTRATIVE
23 BURDEN STANDPOINT. I THINK IT'S PROBABLY GOOD TO
24 LOOK INTO THIS BECAUSE WE'VE HAD THIS PROGRAM FOR A
25 WHILE NOW. WE'VE ONLY HAD FIVE PEOPLE EVER TAKE

BARRISTERS' REPORTING SERVICE

1 LOANS. WE ONLY HAVE TWO OUTSTANDING NOW, AND THAT'S
2 OUT OF 600 AWARDS THAT WE'VE GIVEN. SO I THINK WE
3 NEED TO SEE IF WE CAN FIND A WAY TO MAKE THIS
4 PROGRAM BETTER. IF NOT, MAYBE THE PROGRAM DOESN'T
5 NEED TO EXIST. I THINK THIS IS AN INTERESTING WAY
6 OF APPROACHING IT. WE DON'T HAVE ALL THE ANSWERS
7 HERE. WE HAVE A LOT MORE WORK TO DO ON IT IN TERMS
8 OF ECONOMIC MODELING AND THERE'S SOME LEGAL ISSUES
9 THAT JAMES AND HIS GROUP ARE WORKING WITH. BUT I
10 WANTED TO GIVE YOU THE IDEA THAT WE'RE CONSIDERING
11 HERE.

12 AND THEN LASTLY, I'LL JUST END WITH THINGS
13 TO COME. SO WE WILL HAVE THE FIRST CONSIDERATION OF
14 AWARDS UNDER CIRM 2.0 APRIL 23D. WE'RE VERY EXCITED
15 ABOUT THAT. THE REVIEW, AS I SAID, IS GOING TO BE
16 NEXT MONDAY. IF THAT GOES WELL, IT WILL BE COMING
17 TO THE BOARD ON APRIL 23D.

18 WE ALSO HAVE OUR FIRST IN-PERSON GWG
19 MEETING. SO THE ONE ON THE 30TH OF THIS MONTH IS
20 GOING TO BE TELEPHONIC, BUT OUR FIRST IN-PERSON GWG
21 MEETING WILL ALSO TAKE PLACE IN APRIL.

22 COMING UP IN MAY WE HAVE TO GET OUR
23 BUDGETS DONE, GO TO THE FINANCE SUBCOMMITTEE. IN
24 MAY WE'RE ALSO GOING TO HAVE OUR FIRST INTERACTIONS
25 WITH THE BOARD AROUND STRATEGIC PLANNING AND HOW

BARRISTERS' REPORTING SERVICE

1 THAT'S GOING, AND HOPEFULLY ADOPT THE 2016 BUDGET IN
2 THAT MEETING.

3 LASTLY, IN JULY, VERY BUSY MEETING, IS
4 WHEN WE WILL BE BRINGING THE CONCEPT PLANS FORWARD
5 FOR THE DISCOVERY AND TRANSLATIONAL STAGE PROGRAMS.
6 WE WILL ALSO BE BRINGING FORWARD OUR CREATIVITY AND
7 BRIDGES CONCEPT PLAN, AGAIN, WHICH IS EDUCATION FOR
8 HIGH SCHOOL AND UNDERGRADUATE STUDENTS IN STEM
9 CELLS. AND THEN, LASTLY, AND HOPEFULLY FINALIZE OUR
10 STRATEGIC PLAN. SO WE HAVE A REALLY, REALLY BUSY
11 THREE MONTHS COMING UP, BUT THAT'S THE BUSINESS
12 WE'RE IN. WE'RE IN THE TIME BUSINESS, AND SO WE
13 HAVE TO ACT WITH THE APPROPRIATE SENSE OF URGENCY.

14 WITH THAT, I WILL STOP TALKING AND ANSWER
15 ANY AND ALL QUESTIONS THAT YOU MIGHT HAVE.

16 CHAIRMAN THOMAS: SO ELOQUENT AND
17 PERSUASIVE --

18 DR. MILLS: COVERED ALL OF IT. AND I KNOW
19 SOME OF YOU ARE THINKING YOU SAID YOU WERE GOING TO
20 BE PITHY. AND THAT WASN'T. THAT WAS VERBOSE.

21 CHAIRMAN THOMAS: JUST WANT TO NOTE, DR.
22 MILLS, ANECDOTALLY AND FOR THE BOARD, WHEN MR. LOMAX
23 AND I MET WITH, AND PAT AND A UTA MET WITH THE
24 GERMAN DELEGATION, ONE OF THEM, UPON HEARING ABOUT
25 CIRM 2.0, EXPRESSED ASTONISHMENT AND GREAT

BARRISTERS' REPORTING SERVICE

1 ADMIRATION FOR THE IDEA THAT WE COULD EVER HAVE A
2 PROCESS THAT COULD STREAMLINE DOWN TO 121 DAYS. SO
3 THE CONCEPT HAS NOW GONE VIRAL INTERNATIONALLY AND
4 IS PLAYING TO VERY GOOD REVIEWS.

5 DR. MILLS: THAT WAS MY PLAN. I WANT TO
6 BE A ROCK STAR FOR MY DAUGHTER. SHE'S LOOKING AT
7 ALL THE GERMAN WEBSITES RIGHT NOW. YES, SIR.

8 DR. LEVIN: YOU DISCUSSED THE INTEREST TO
9 HAVE A CONSULTATION PERIOD AFTER THE GRANTS ARE
10 SUBMITTED IN THESE ROLLING DEADLINES. DO YOU DO
11 THAT ALSO BEFOREHAND?

12 DR. MILLS: ABSOLUTELY. AND THAT'S WAY
13 WHERE WE PREFER IT. GIL AND BECKY TALK TO LOTS AND
14 LOTS AND LOTS OF PEOPLE THAT HAVEN'T APPLIED YET
15 ABOUT CONSTRUCTING THEIR GRANTS. I'LL BET HIS NAME
16 IS EVEN HERE. YEAH. SO PRETTY MUCH ON THE BACK OF
17 EVERY PRESENTATION WE GIVE IS GIL'S CONTACT
18 INFORMATION SO THAT WHEN YOU HAVE A PROGRAM AND
19 YOU'RE CONTEMPLATING APPLYING, THE FIRST THING WE
20 RECOMMEND EVERYONE DOING IS CALLING US AND JUST
21 HAVING A PHONE CONVERSATION ABOUT IT SO WE CAN DO
22 THINGS LIKE IS IT IN SCOPE? DOES IT INVOLVE A STEM
23 CELL? IS IT RESPONSIVE? AND THEN, SECONDLY, IF
24 THERE'S ANY CLARIFICATION THAT CAN BE DONE, WE WANT
25 TO DO IT ON THE FRONT END BECAUSE WE DON'T WANT THEM

BARRISTERS' REPORTING SERVICE

1 WASTING -- IT'S A SUBSTANTIAL APPLICATION TO HAVE TO
2 PUT TOGETHER. WE'D RATHER HAVE IT COME IN WELL
3 CONSTRUCTED AS OPPOSED TO AMEND IT. YES IS A VERY
4 LONG ANSWER TO A SIMPLE QUESTION.

5 I AM NOT DOING WELL WITH THIS PITHY THING
6 TODAY.

7 CHAIRMAN THOMAS: ANY OTHER QUESTIONS,
8 COMMENTS FROM MEMBERS OF THE BOARD? THANK YOU, DR.
9 MILLS.

10 WE'LL NOW TURN IT OVER FOR THE FINANCE
11 REPORT TO MS. SILVA-MARTIN.

12 MS. SILVA-MARTIN: GOOD MORNING, MR.
13 CHAIR, MEMBERS OF THE BOARD, MEMBERS OF THE PUBLIC,
14 AND CIRM TEAM. THIS MORNING I'LL PROVIDE A BRIEF
15 REPORT ON CIRM FINANCES. I WILL BRIEFLY COVER OUR
16 GRANT DISBURSEMENTS AND AVAILABLE CASH, AS WELL AS
17 WHERE WE ARE ON OUR ACTUAL EXPENDITURES FOR THIS
18 FISCAL YEAR, AND ALSO ON OUR BUDGET DEVELOPMENT FOR
19 THE '15-'16 FISCAL YEAR.

20 BEFORE I ACTUALLY GO INTO THE DETAILS, I
21 DO WANT TO POINT OUT THAT THERE HAS BEEN NO MAJOR OR
22 SIGNIFICANT CHANGES SINCE THE LAST TIME THAT I
23 REPORTED. OUR FINANCES ARE ON TRACK. OUR
24 EXPENDITURES ARE WITHIN BUDGET, AND WE CONTINUE TO
25 MAINTAIN A VERY HEALTHY CASH RESERVE.

BARRISTERS' REPORTING SERVICE

1 LOOKING AT SOME OF THE DETAILS, AS YOU CAN
2 SEE, OUR GRANT DISBURSEMENTS FOR THE FIRST EIGHT
3 MONTHS OF THE FISCAL YEAR WERE \$133.6 MILLION. AND
4 IN COMPARISON TO LAST YEAR, THEY WERE VIRTUALLY THE
5 SAME DURING THAT SAME PERIOD. WE DISBURSED \$133.1
6 MILLION. OUR CASH RESERVES AS OF FEBRUARY ARE \$72.2
7 MILLION, SO WE HAVE SUFFICIENT FUNDS TO MEET OUR
8 FINANCIAL OBLIGATIONS FOR THE NEXT SEVERAL MONTHS.

9 WE ARE ALSO SCHEDULED TO RECEIVE
10 ADDITIONAL FUNDS FROM THE SPRING BOND SALE. THE
11 STATE TREASURER AND DEPARTMENT OF FINANCE HAVE
12 AGREED TO PROVIDE US WITH UP TO \$115 MILLION
13 ADDITIONAL FUNDS EITHER FROM THE BOND SALE OR FROM
14 COMMERCIAL PAPER. SO, AGAIN, WE'RE IN A VERY GOOD
15 FINANCIAL POSITION WITH OUR CASH RESERVES.

16 NOW LOOKING AT OUR OPERATIONAL
17 EXPENDITURES FOR THE FIRST EIGHT MONTHS OF THE
18 FISCAL YEAR, SO, AS YOU CAN SEE FROM THE CHART
19 ABOVE, WE WERE ALLOCATED FOR THE FIRST EIGHT MONTHS
20 OF THE FISCAL YEAR ABOUT \$11 MILLION, AND WE'VE
21 EXPENDED JUST UNDER \$10 MILLION. SO WE ARE
22 UNDERRUNNING THE BUDGET BY A LITTLE BIT OVER A
23 MILLION DOLLARS. THE MAJORITY OF THAT UNDERRUN IS
24 IN OUR EMPLOYEE EXPENSES, SO SALARIES AND WAGES AND
25 BENEFITS, SUCH AS RETIREMENT AND HEALTHCARE, FOR

BARRISTERS' REPORTING SERVICE

1 POSITIONS. THE REASON FOR THE EMPLOYEE UNDERRUN IS,
2 AS YOU MAY RECALL, AT THE BEGINNING OF THE FISCAL
3 YEAR, WE HAD SEVERAL POSITIONS THAT BECAME VACANT.
4 A DETERMINATION WAS MADE THAT THOSE POSITIONS WERE
5 NO LONGER NEEDED AND SO THEY WERE NOT FILLED, AND SO
6 WE'RE SEEING A FAIRLY SIGNIFICANT SAVINGS IN THAT
7 AREA.

8 SIMILARLY, WE'RE SEEING SAVINGS IN ALL OF
9 OUR OTHER CATEGORIES, SO NONE OF OUR CATEGORICAL
10 BUDGETS ARE BEING OVERRUN FOR EXTERNAL SERVICES. AS
11 YOU KNOW, WE IMPLEMENTED CIRM 2.0 AND WE SPENT A LOT
12 OF EFFORT DURING THE FIRST HALF OF THE YEAR
13 IMPLEMENTING THAT. AND SO SOME OF OUR MEETINGS,
14 SUCH AS CDAP MEETINGS, THAT WE HAD BUDGETED FOR DID
15 NOT MATERIALIZE, AND SO OUR COSTS ARE DOWN FOR BOTH
16 EXTERNAL SERVICES AND REVIEW MEETINGS IN SUPPORT OF
17 THOSE TYPE OF EXPENDITURES.

18 THE OTHER CATEGORY I WANTED TO POINT OUT
19 AGAIN IS OUR TRAVEL. OUR TRAVEL CONTINUES TO BE
20 UNDER BUDGET. AND BASICALLY THE TWO COST CENTERS
21 THAT ARE REALLY CONTRIBUTING TO THAT UNDERRUN ARE
22 THE OFFICE OF THE PRESIDENT AND OUR LEGAL TEAM.

23 AND THEN FINALLY, AS DR. MILLS POINTED
24 OUT, WE ARE RIGHT IN THE MIDDLE OF OUR DEVELOPMENT
25 OF OUR '15-'16 BUDGET. WE HAVE RECEIVED INFORMATION

BARRISTERS' REPORTING SERVICE

1 FROM OUR COST CENTERS. WE'VE ACCUMULATED THAT DATA,
2 AND IT'S BEING REVIEWED NOW BY THE PRESIDENT AND THE
3 CHAIR. AND AS DR. MILLS INDICATED, WE WILL SHARE IT
4 WITH THE FINANCE SUBCOMMITTEE CHAIRS SOMETIME IN
5 APRIL AND THEN BRING IT BEFORE A FINANCE
6 SUBCOMMITTEE IN MAY AS WELL TO THIS BOARD IN MAY.

7 AND THAT REALLY CONCLUDES MY PRESENTATION.
8 ARE THERE ANY QUESTIONS? THANK YOU.

9 CHAIRMAN THOMAS: THANK YOU, CHILA. I
10 JUST WANTED TO HIGHLIGHT ONE POINT SHE MADE, WHICH
11 IS THE SPRING BOND SALE THAT WILL BE COMING UP IN
12 WHICH WE WILL BE A PART. EVERYBODY SORT OF ASSUMES
13 THAT THE MONEY FROM THE STATE FLOWS SEAMLESSLY TO US
14 AND DOESN'T REALLY INVOLVE A LOT OF WORK ON OUR
15 PART. CHILA DOES A WONDERFUL JOB ON THE FINANCIAL
16 SIDE. AND I'D ALSO LIKE TO MENTION AND SINGLE OUT
17 AMY LEWIS WHO IS THE PRINCIPAL PERSON HERE WHO DEALS
18 WITH THE DEPARTMENT OF FINANCE AND THE GOVERNOR'S
19 OFFICE AND TALKS TO THEM ABOUT WHAT OUR SEMIANNUAL
20 NEEDS ARE GOING TO BE, WALKS THROUGH THEM, AND HELPS
21 ARRIVE AT THE AMOUNT THAT WE NEED TO HAVE FUNDED,
22 WHICH MESSAGE THEN GETS TRANSLATED TO THE STATE
23 TREASURER WHO INCLUDES OUR PRO RATA SHARE IN THEIR
24 SEMIANNUAL BOND OFFERING. AND IT'S THROUGH THAT
25 MECHANISM THAT WE ARE ABLE TO OPERATE. AND SO JUST

BARRISTERS' REPORTING SERVICE

1 WANTED TO REPORT THAT THAT IS A VERY IMPORTANT
2 PROCESS, AND WE SPEND A LOT OF TIME MAKING SURE THAT
3 WE DO EVERYTHING WE NEED TO TO MAKE THAT HAPPEN
4 FLAWLESSLY. SO THANK YOU TO AMY FOR THAT.

5 GOING TO MOVE NOW ON TO THE ACTION ITEMS
6 ON THE AGENDA. ITEM NO. 7, CONSIDERATION OF
7 APPLICATIONS FOR RFA 14-02, CIRM PRECLINICAL
8 DEVELOPMENT AWARDS. DR. KADYK WILL PRESENT.

9 DR. KADYK: THANK YOU. GOOD MORNING TO
10 MR. CHAIRMAN, MEMBERS OF THE BOARD, MEMBERS OF THE
11 PUBLIC, AND MY CIRM COLLEAGUES. I'M HERE TO PRESENT
12 THE RECOMMENDATIONS FROM CIRM AND THE GRANTS WORKING
13 GROUP FOR THE RECENTLY REVIEWED PRECLINICAL
14 DEVELOPMENT AWARDS FOR WHICH THE CONCEPT WAS
15 APPROVED ONE YEAR AGO IN MARCH 2014.

16 AND SO THE INTENT OF THIS RFA IS TO FUND
17 DEVELOPMENT OF THERAPEUTIC CANDIDATES THAT HAVE BEEN
18 SUCCESSFULLY IDENTIFIED AS SO-CALLED DEVELOPMENT
19 CANDIDATES, WHICH YOU CAN SEE ON THE DIAGRAM IS
20 ABBREVIATED AS A DC. AND THIS IS AN IMPORTANT STAGE
21 OF PRECLINICAL DEVELOPMENT IN THAT IT MARKS THE
22 TRANSITION, THE FIRST TRANSITION, BETWEEN AN
23 EXPLORATORY STAGE PRECLINICAL RESEARCH AND THE MUCH
24 MORE HIGHLY REGULATED AND COSTLY PRECLINICAL
25 DEVELOPMENT.

BARRISTERS' REPORTING SERVICE

1 SO AS YOU CAN SEE, THE IDENTIFICATION OF A
2 DEVELOPMENT CANDIDATE HAS BEEN THE END GOAL OF MANY
3 OF OUR EARLIER STAGE EARLY TRANSLATION RESEARCH
4 AWARDS FOR WHICH WE'VE HAD FOUR ROUNDS. AND THESE
5 AWARDS WOULD THEN ALLOW DEVELOPMENT, THE EARLY
6 DEVELOPMENT, OF THESE CANDIDATES UP TO THE STAGE OF
7 HOLDING A PRE-IND MEETING, AT WHICH POINT THEY WOULD
8 BE READY TO APPLY FOR OUR NEWLY ANNOUNCED PROGRAM
9 ANNOUNCEMENT 15-01, WHICH WOULD FUND PIVOTAL
10 IND-ENABLING STUDIES UP TO THE IND STAGE.

11 AND I ALSO WANT TO POINT OUT THAT THIS THE
12 FINAL RFA THAT WAS ISSUED UNDER THE CIRM 1.0
13 PROCESS.

14 SO SINCE ENTRY INTO PRECLINICAL
15 DEVELOPMENT IS A PRETTY IMPORTANT MILESTONE, IT IS
16 IMPORTANT THAT THE CANDIDATES HERE MEET CERTAIN KEY
17 SCIENTIFIC ELIGIBILITY CRITERIA. SO FIRST OF ALL,
18 THE DEVELOPMENT CANDIDATE SHOULD BE VERY
19 SPECIFICALLY CHARACTERIZED AS A SINGLE AND
20 WELL-DEFINED CANDIDATE THAT DERIVES FROM OR TARGETS
21 STEM CELLS, AND THERE SHOULD BE SUFFICIENT EVIDENCE
22 THAT IT IS READY TO ENTER PRECLINICAL DEVELOPMENT,
23 SUCH AS HAVING A FAIR AMOUNT OF DATA SHOWING
24 CONVINCING, REPRODUCIBLE DISEASE MODIFYING ACTIVITY
25 IN RELEVANT PRECLINICAL MODELS, PRELIMINARY

BARRISTERS' REPORTING SERVICE

1 ASSESSMENTS OF SAFETY AND MECHANISM OF ACTION, AS
2 WELL AS REPRODUCIBLE AND SCALABLE RESEARCH GRADE
3 PRODUCTION OF THE CANDIDATE.

4 SO THE OBJECTIVE OF THESE AWARDS IS TO
5 CARRY OUT THE ACTIVITIES NEEDED TO CONDUCT A
6 WELL-PREPARED PRE-IND MEETING WITH THE FDA AT THE
7 END OF THE AWARD. SO THERE'S A NUMBER OF IN-SCOPE
8 ACTIVITIES THAT COULD BE NEEDED TO BE DONE TO GET TO
9 THAT PRE-IND MEETING, INCLUDING, VERY IMPORTANTLY,
10 DEVELOPING A GMP MANUFACTURING PROCESS INCLUDING
11 DEVELOPMENT AND QUALIFICATION OF RELEASE AND
12 IN-PROCESS ASSAYS, IDENTIFYING AN APPROPRIATE DOSE
13 REGIMEN OF DOSING AND ROUTE OF ADMINISTRATION FOR
14 THE THERAPEUTIC, PHARMACOKINETIC STUDIES, BY WHICH I
15 MEAN STUDYING THE EFFECTS OF THE BODY ON THE
16 THERAPEUTIC AFTER THE THERAPEUTIC IS ADMINISTERED,
17 FOR EXAMPLE, BIODISTRIBUTION IN THE CASE OF A CELL
18 THERAPY, HOW LONG THE CELLS SURVIVE IN THE BODY,
19 PILOT SAFETY AND MECHANISM OF ACTION STUDIES,
20 SELECTION OF THE TARGET INDICATION, AND PREPARATION
21 OF A CLINICAL DEVELOPMENT PLAN AND DRAFT PROTOCOL,
22 AND FINALLY, CULMINATING IN THE CONDUCT OF A PRE-IND
23 MEETING WITH THE FDA.

24 SO LAST MARCH THE BOARD APPROVED UP TO \$40
25 MILLION TO FUND THESE AWARDS FOR WHICH WE

BARRISTERS' REPORTING SERVICE

1 ANTICIPATED ABOUT FIVE TO EIGHT AWARDS WOULD BE
2 FUNDED. THIS IS A RELATIVELY SHORT-TERM AWARD OF 30
3 MONTHS, AND WE ESTIMATED A BUDGET THAT SHOULD BE IN
4 THE FIVE TO \$8 MILLION RANGE FOR JUSTIFIABLE TOTAL
5 PROJECT COSTS.

6 AND I JUST WANTED TO MENTION THAT WE ALSO
7 HAD A STIPULATION THAT IF THE DEVELOPMENT CANDIDATE
8 WAS NOT IDENTIFIED WITH PRIOR CIRM FUNDING, THEN THE
9 APPLICANT WOULD INDICATE NEED TO PROVIDE TO
10 ONE-TO-ONE MATCHING FUNDING.

11 SO THESE APPLICATIONS WERE REVIEWED BY THE
12 GRANTS WORKING GROUP WITH A NUMBER OF KEY REVIEW
13 CRITERIA THAT CAN BE PUT INTO THREE MAJOR
14 CATEGORIES. FIRST OF ALL, SHOULD THE PROPOSED
15 THERAPEUTIC BE DEVELOPED? SECOND, CAN THE PROPOSED
16 PLAN ACHIEVE THE RFA OBJECTIVE? AND THIRD, IS THIS
17 THE RIGHT TEAM TO EXECUTE THE PLAN?

18 SO SHOULD IT BE DEVELOPED, THE REVIEWERS
19 LOOKED AT ARE THE SIGNIFICANCE OF THE PROPOSAL. IS
20 IT COMPETITIVE WITH STANDARD OF CARE? AND ALSO THE
21 SCIENTIFIC RATIONALE FOR THE PROPOSAL. DO WE REALLY
22 BELIEVE THAT THERE'S A POTENTIAL FOR CLINICAL
23 BENEFIT IN THE TARGETED INDICATION?

24 CAN THE PROPOSED PLAN ACHIEVE THE RFA
25 OBJECTIVE? SO, AGAIN, LOOKING AT THE READINESS THAT

BARRISTERS' REPORTING SERVICE

1 I MENTIONED EARLIER OF THE CANDIDATE TO ENTER
2 PRECLINICAL DEVELOPMENT, LOOKING AT THE DESIGN AND
3 FEASIBILITY OF THE PROJECT PLAN AND THE TIMELINE,
4 AND LOOKING AT ASSETS, COLLABORATIONS, AND
5 ENVIRONMENT, ALL THE THINGS THAT ARE NEEDED, SUCH AS
6 MTA'S, PATENTS, CONTRACTS, APPROPRIATE EQUIPMENT,
7 AND FACILITIES TO CARRY OUT THE PLAN.

8 AND THEN FINALLY, IS THIS THE RIGHT TEAM
9 TO EXECUTE THE PLAN? THE REVIEWERS LOOKED AT THE PI
10 AND THE TEAM AND LOOKED AT THEIR EXPERIENCE IN
11 LEADING A TEAM SUCH AS THIS AS WELL AS PRECLINICAL
12 DEVELOPMENT EXPERTISE.

13 SO THE SCORING BY THE GRANTS WORKING GROUP
14 WAS A DETERMINATIVE SCORING MECHANISM WHERE
15 REVIEWERS WERE INSTRUCTED THAT IF SCORES WERE
16 GREATER THAN OR EQUAL TO 75, THAT WOULD INDICATE
17 THAT THE REVIEWER INTENDED TO RECOMMEND THAT THE
18 APPLICATION BE FUNDED. FOR SCORES 65 TO 74 IS
19 CONSIDERED TIER II, MEANING THAT THE APPLICATION WAS
20 PERHAPS OF MODERATE QUALITY AND THE OVERALL AVERAGE
21 SCORE MAY IN A TIER II CATEGORY INDICATES THERE MAY
22 NOT HAVE BEEN CONSENSUS ON THE MERIT OF THE
23 PROPOSAL. AND TIER III, SCORES LESS THAN OR EQUAL
24 64 WERE NOT RECOMMENDED FOR FUNDING AT THIS TIME.

25 I WANT TO POINT OUT THAT THIS RFA DID LIST

BARRISTERS' REPORTING SERVICE

1 CERTAIN PRIORITIES THAT COULD BE TAKEN INTO ACCOUNT
2 DURING PROGRAMMATIC CONSIDERATION FOR FUNDING.

3 SO WE CALLED OUT SEVERAL PRIORITIES IN
4 THIS RFA. FIRST OF ALL, THERAPEUTIC CANDIDATES THAT
5 ARE CELL THERAPIES, ESPECIALLY IF THEY'RE DERIVED
6 FROM PLURIPOTENT STEM CELLS OR DIRECTLY REPROGRAMMED
7 CELLS. SECOND, PROJECTS THAT SEEM TO BE POTENTIALLY
8 TRANSFORMATIVE TO MEETING UNMET MEDICAL NEEDS. FOR
9 PROJECTS WERE PROPOSING DEVELOPING A DEVELOPMENT
10 CANDIDATE THAT WAS IDENTIFIED USING CIRM FUNDING, IF
11 THE APPLICANT COULD BRING IN 25-PERCENT CO-FUNDING,
12 THAT WOULD BE CONSIDERED A PRIORITY. AND FOR THOSE
13 DEVELOPMENT CANDIDATES NOT IDENTIFIED WITH PRIOR
14 CIRM FUNDING, THEY'RE ALL REQUIRED TO HAVE MATCHING
15 FUNDING, BUT IF THAT MATCHING FUNDING COMES FROM
16 INDUSTRY, THAT WOULD BE IN THE PRIORITY CATEGORY.

17 SO THIS SLIDE IS A HIGH LEVEL VIEW OF THE
18 GRANTS WORKING GROUP AND CIRM RECOMMENDATIONS AND
19 THE RATIONALE. AFTER THIS GIL SAMBRANO WILL HAVE A
20 MORE DETAILED SPREADSHEET LISTING THE DETAILS OF THE
21 APPLICATIONS.

22 BUT IN SUMMARY, FOR TIER I APPLICATIONS
23 WE'RE RECOMMENDING AND CONCUR WITH THE GRANTS
24 WORKING GROUP ASSESSMENT THAT THESE APPLICATIONS BE
25 FUNDED. THERE WERE FIVE AWARDS IN THE TIER I

BARRISTERS' REPORTING SERVICE

1 CATEGORY WITH BUDGETS TOTALING ABOUT 16 MILLION, AND
2 THOSE FIVE APPLICATIONS ALSO BRING IN \$3.25 MILLION
3 OF CO-FUNDING.

4 FOR THE TIER II AND TIER III APPLICATIONS,
5 THAT RECOMMENDATION CURRENTLY IS DO NOT FUND. WE DO
6 ENCOURAGE APPLICANTS TO CONSIDER RESUBMITTING
7 PROPOSALS TAKING INTO ACCOUNT THE REVIEWERS'
8 COMMENTS. AS RANDY HAS OUTLINED AND AS YOU KNOW
9 WITH CIRM 2.0, WE ANTICIPATE HAVING MORE
10 OPPORTUNITIES AND MORE REGULAR OPPORTUNITIES FOR
11 APPLICANTS TO REAPPLY. CURRENTLY THERE IS THE
12 PROGRAM ANNOUNCEMENT 15-01, WHICH MAY BE A LITTLE
13 BIT TOO LATE, TOO ADVANCED FOR SOME OF THESE
14 PROJECTS, BUT, IN FACT, SOME OF THE APPLICATIONS ARE
15 CLOSE TO A PRE-IND MEETING AND MAY BE ABLE TO APPLY
16 FOR THAT, AND THEY SHOULD EVALUATE THAT PROGRAM
17 ANNOUNCEMENT. AND THEN WE DO ALSO ANTICIPATE LATER
18 THIS SUMMER TO HAVE ANOTHER OPPORTUNITY FOR A
19 PROGRAM ANNOUNCEMENT FOR EARLY PRECLINICAL
20 DEVELOPMENT-TYPE AWARDS.

21 SO WITH THAT, I WOULD ASK IF THERE ARE ANY
22 QUESTIONS.

23 CHAIRMAN THOMAS: NO QUESTIONS. THANK YOU
24 VERY MUCH, DR. KADYK. NOW TURN THIS OVER FOR
25 PROGRAMMATIC REVIEW TO MR. SHEEHY.

BARRISTERS' REPORTING SERVICE

1 MR. SHEEHY: THANK YOU, CHAIRMAN THOMAS.
2 SO I THINK THE FIRST THING IS THAT WE HAVE
3 A NEW WRINKLE IN HOW WE'RE GOING TO PROCESS THESE.
4 IN RESPONSE TO A SENSE THAT APPLICATIONS THAT WERE
5 NOT CONSIDERED BY THE COMMITTEE, WE'RE NOT GIVING
6 APPLICANTS FROM -- APPLICATIONS THAT WERE NOT
7 CONSIDERED BY THE COMMITTEE WEREN'T GIVEN AN
8 OPPORTUNITY TO EXPRESS AN OPINION ON THOSE GRANTS
9 DIRECTLY. THE WAY WE DID IT BEFORE IS WE'D CONSIDER
10 THE GRANTS. IF THE COMMITTEE DIDN'T TAKE UP A GRANT
11 TO EITHER FUND OR NOT FUND A SPECIFIC MOTION, THEN
12 THOSE GRANTS -- THEN THERE WAS NOT AN OPPORTUNITY
13 BEFORE THE FINAL MOTION FOR APPROVAL, THE BLANKET
14 APPROVAL, FOR APPLICANTS OR INTERESTED PARTIES TO BE
15 ABLE TO COMMENT TO TRY TO ATTRACT THE ATTENTION OF
16 MEMBERS TO POTENTIALLY MAKE A MOTION IN FAVOR OR TO
17 GET SOME ACTION ON THOSE GRANTS.

18 SO WE'VE INTRODUCED A NEW PROCESS, A
19 SLIGHT VARIATION, AND MAYBE COUNSEL COULD KIND OF
20 WALK US THROUGH IT.

21 MR. HARRISON: THANKS, JEFF. SO AS JEFF
22 INDICATED, WE WILL BE OFFERING AN OPPORTUNITY FOR
23 PUBLIC COMMENT AT THIS STAGE OF THE PROCEEDING
24 RATHER THAN, AS JEFF INDICATED, BEFORE THE FINAL
25 OMNIBUS MOTION. WE HAVE SET GUIDELINES TO ENSURE

BARRISTERS' REPORTING SERVICE

1 THAT IT RUNS SMOOTHLY, AND LET ME JUST WALK YOU
2 THROUGH THOSE.

3 FIRST, WE WILL STRICTLY LIMIT PUBLIC
4 COMMENTS TO THREE MINUTES PER SPEAKER. WE WOULD
5 DISCOURAGE ANY DIALOGUE BETWEEN MEMBERS OF THE BOARD
6 AND APPLICANTS OR MEMBERS OF THE PUBLIC ABOUT
7 SCIENTIFIC POINTS. TO THE EXTENT MEMBERS OF THE
8 BOARD HAVE QUESTIONS, THOSE QUESTIONS CAN BE
9 ADDRESSED ONCE THE BOARD BEGINS TO UNDERTAKE
10 CONSIDERATION OF SPECIFIC APPLICATIONS. AND THEN
11 FINALLY, WE WILL NOT ACCEPT MOTIONS DURING THE
12 PUBLIC COMMENT PERIOD. WE'LL RESERVE MOTIONS FOR
13 THE STAGE AT WHICH THE BOARD BEGINS TO CONSIDER
14 INDIVIDUAL APPLICATIONS.

15 AND, OF COURSE, MEMBERS OF THE PUBLIC WILL
16 CONTINUE TO HAVE THE OPPORTUNITY TO OFFER PUBLIC
17 COMMENTS BEFORE ANY INDIVIDUAL VOTE IS TAKEN.

18 MR. SHEEHY: THANK YOU, JAMES.

19 SO IS THAT WELL UNDERSTOOD? ARE THERE ANY
20 MEMBERS OF THE PUBLIC WHO WOULD LIKE TO ADDRESS ANY
21 OF THE GRANTS THAT WE HAVE COMING UP? AND MAYBE
22 KIND QUEUE UP. PLEASE INTRODUCE YOURSELVES.

23 MR. REED: DON REED, MEMBER OF THE PUBLIC.

24 FIRST OF ALL, THANK YOU VERY MUCH FOR THAT
25 INCLUSION OF THE PUBLIC WHICH HAS ALWAYS BEEN A PART

BARRISTERS' REPORTING SERVICE

1 OF THIS THING, AND THIS IS TREMENDOUS. THANK YOU
2 VERY MUCH.

3 MY INTEREST IS IN PC1-08128, THE EMBRYONIC
4 AND OSTEOCHONDRAL. I LIVE IN A TWO-STORY HOUSE WITH
5 17 STEPS BETWEEN THE FIRST AND SECOND FLOORS. THERE
6 ARE ALWAYS OBJECTS ON THE STAIRS WAITING FOR ME TO
7 CARRY THEM UP. MY WIFE GLORIA LEAVES THEM THERE FOR
8 ME. SHE TRIES TO PLAN HER DAY SHE'LL ONLY HAVE TO
9 GO DOWN THE STAIRS ONCE IN THE MORNING AND GO UP
10 ONCE AT NIGHT BECAUSE SHE HAS ARTHRITIS IN BOTH
11 KNEES. THE CARTILAGE CUSHION IN THE JOINT OUT, SO
12 BENDING THE KNEE GRINDS BONE AGAINST BONE.

13 FINANCIALLY ARTHRITIS COSTS AMERICA MORE
14 THAN 200 BILLION A YEAR AND MAY AFFECT AS MANY AS 18
15 PERCENT OF ALL WOMEN OVER SIXTY. GRANTED THIS
16 PROJECT IS AIMED AT YOUNGER SUFFERERS OF ARTHRITIS
17 UNLIKE THE MORE COMMON AGING RELATED. HOWEVER, JUST
18 AS THE FIRST ATTEMPTS TO CURE PARALYSIS ARE BEING
19 DONE WITH NEW INJURIES AND ONLY LATER TO BE TRIED IN
20 THE OLDER CHRONIC INJURIES, EVEN SO, ADVANCING A
21 CURE FOR ANY FORM OF ARTHRITIS OPENS THE DOOR FOR
22 UNIVERSAL BELIEF?

23 A CENTRAL TENET OF PROP 71 WAS TO
24 ENCOURAGE EMBRYONIC STEM CELL RESEARCH IN WHICH I
25 HAVE GREAT FAITH. TO THE BEST OF MY KNOWLEDGE, WE

BARRISTERS' REPORTING SERVICE

1 DO NOT HAVE AN EMBRYONIC STEM CELL ARTHRITIS THERAPY
2 BEING DEVELOPED, AND THIS SEEMS LIKE A GOOD ONE.

3 THERE IS REASON TO BELIEVE THIS IS A
4 WINNER. STUDYING THE PROPOSAL REMINDS ME OF THE
5 JUST EMERGING, BUT HIGHLY SUCCESSFUL PROJECT BY DR.
6 SUE KIMBER AT THE UNIVERSITY OF MANCHESTER IN THE
7 UK. PRECURSOR CARTILAGE CELLS, EMBRYONIC STEM
8 CELLS, THESE WERE IMPLANTED IN DAMAGED CARTILAGE OF
9 RATS. THE RESULTS, QUOTE, AFTER FOUR WEEKS THE
10 CARTILAGE WAS PARTIALLY REPAIRED. AFTER TWELVE
11 WEEKS, THE CARTILAGE SURFACE WAS SMOOTH AND SIMILAR
12 IN APPEARANCE TO NORMAL CARTILAGE. ANY SUBSTANTIVE
13 PROGRESS TOWARD A CURE OF ARTHRITIS WOULD BE A HOME
14 RUN FOR THE CALIFORNIA STEM CELL PROGRAM AND MIGHT
15 ENCOURAGE OTHER STATES AND NATIONS TO INVEST
16 SIMILARLY. I THEREBY REQUEST THAT PC1-08128 BE
17 MOVED INTO TIER I AND APPROVED FOR FUNDING. THANK
18 YOU VERY MUCH.

19 DR. D'LIMA: THANKS FOR THIS OPPORTUNITY
20 TO SPEAK. MY NAME IS DARRYL D'LIMA. I'M THE PI ON
21 THE SAME GRANT THAT MR. REED SPOKE ABOUT. IN THE
22 INTEREST OF FULL DISCLOSURE, I DON'T KNOW MR. REED
23 AND I HAVEN'T SOLICITED HIS OPINION.

24 IN 2009 CIRM GRANTED US AN AWARD TO
25 TRANSLATE OUR BASIC SCIENCE AND DISCOVERIES INTO

BARRISTERS' REPORTING SERVICE

1 STEM CELL TREATMENT. THREE YEARS LATER, AFTER CLOSE
2 COLLABORATIONS WITH CIRM STAFF, WE FOUND A
3 COMPELLING CANDIDATE FOR TREATING OSTEOCHONDRAL
4 DEFECTS WHICH ARE THE MAJOR CAUSE OF OSTEOARTHRITIS.

5 SINCE 2012 SCRIPPS HEALTH HAS BEEN GIVING
6 US ANNUAL BRIDGE FUNDING TO CONTINUE OUR WORK. AND
7 WE'VE CONTINUED TO COLLABORATE WITH CIRM AND
8 FOLLOWED THE RECOMMENDATIONS TO MAKE US CLINICALLY
9 COMPETITIVE FOR THIS PRECLINICAL AWARD.

10 WE'VE CONTACTED THE FDA AND PRESENTED OUR
11 CASE. IN FACT, IN THE GRANT APPLICATION ALL THE
12 TESTING WE PROPOSE IS EITHER RECOMMENDED BY THE FDA
13 OR HAS BEEN APPROVED BY THE FDA.

14 WE'VE ALSO RECEIVED DONATIONS FROM
15 PATIENTS THAT BELIEVE THAT OUR TREATMENT CAN
16 TRANSFORM THE TREATMENT OF OSTEOARTHRITIS.

17 IT IS TRUE THAT YOU CAN REPLACE THE JOINTS
18 OF OLDER PATIENTS WITH ARTHRITIS. JOINT REPLACEMENT
19 IS A 50-YEAR-OLD TECHNOLOGY. THIS IS ONE OF THE
20 IMPLANTS THAT GOES INTO THE KNEE JOINTS. THIS IS
21 THE BOX THAT THE IMPLANT COMES IN. THERE ARE SIX
22 SUCH BOXES THAT ARE IMPLANTED IN A TYPICAL KNEE
23 REPLACEMENT, WHICH HAS METAL, PLASTIC, AND CEMENT.
24 THESE ARE THE INSTRUMENTS THAT WE USE. WE HAVE
25 THREE TRAYS OF THESE INSTRUMENTS IN THE OPERATING

BARRISTERS' REPORTING SERVICE

1 ROOM. WE STILL USE HAMMERS, SAWS, AND DRILLS.

2 MR. TORRES: YOU HEAR THAT?

3 DR. D'LIMA: THIS IS OUR TECHNOLOGY, AND
4 THIS IS WHAT WE NEED TO IMPLANT OUR TECHNOLOGY
5 TODAY.

6 NOW, I UNDERSTAND THAT CIRM 2.0 GIVES US
7 BETTER OPPORTUNITIES, BUT I CANNOT GO BACK TO
8 SCRIPPS FOR A FOURTH YEAR OF FUNDING. I HAVE
9 CANNIBALIZED FUNDS FROM OTHER PROJECTS TO PAY FOR
10 THIS PROJECT. I'VE PERSONALLY TAKEN A 20-PERCENT
11 PAY CUT OVER THE LAST TWO YEARS. I'M ON THE VERGE
12 OF LOSING MY TEAM, AND I WILL LOSE \$4 MILLION OF
13 MATCHING FUNDS THAT SCRIPPS HAS COMMITTED TO THIS
14 APPLICATION.

15 TEN OUT OF THE 15 REVIEWERS GAVE US A
16 SCORE THAT RECOMMENDED FUNDING IN TIER I. BY USING
17 THE AVERAGE AS A SCORE FOR RANKING APPLICATIONS, YOU
18 ARE GIVING THE MINORITY A GREATER VOTING POWER THAN
19 THE MAJORITY. SO IF YOU WANT TO GIVE US A FIGHTING
20 CHANCE AT REPLACING 50-YEAR-OLD TECHNOLOGY WITH
21 TODAY'S TECHNOLOGY, PLEASE CONSIDER OUR APPLICATION.
22 THANK YOU.

23 MR. TORRES: I WOULD LIKE TO -- FIRST OF
24 ALL, THANK YOU FOR BEING HERE TODAY. HAVING JUST
25 UNDERGONE THAT OPERATION 30 DAYS AGO, I WAS HAPPY TO

BARRISTERS' REPORTING SERVICE

1 SEE THAT MY NEW KNEE CAME FROM LEIPZIG, GERMANY,
2 SINCE WE HAVE A BILATERAL AGREEMENT WITH GERMANY,
3 AND I THINK THAT HAS WORKED OUT WELL FOR US AND FOR
4 GERMANY.

5 I DON'T KNOW WHETHER THE GOOD PEOPLE AT
6 THE IOM WOULD OBJECT TO MY MAKING A MOTION TO MOVE
7 THIS FOR FUNDING, OR WOULD I BE CONFLICTED OUT
8 BECAUSE I HAVE ENDURED THE SURGERY?

9 MR. SHEEHY: SENATOR TORRES, AT THIS TIME
10 THE PROCESS WE'VE ENVISIONED DOESN'T ALLOW FOR
11 MOTIONS. THIS IS AN OPPORTUNITY FOR PUBLIC COMMENT;
12 BUT AS WE GET INTO THE PROCESS OF CONSIDERING THE
13 GRANTS, WE'LL TAKE MOTIONS.

14 MR. TORRES: I'M GETTING USED TO THE NEW
15 PROCESS, SO PLEASE INCORPORATE MY REMARKS INTO THE
16 THREE MINUTES THAT I HAD.

17 DR. GROGAN: GOOD MORNING. I'D LIKE TO
18 FOLLOW WITH FURTHER COMMENTS ON THE PROPOSAL THAT
19 DR. D'LIMA HAS JUST DISCUSSED. MY NAME IS SEAN
20 GROGAN, AND I AM A SENIOR RESEARCH SCIENTIST AT
21 SCRIPPS HEALTH, AND I'D LIKE TO -- THE CDC INDICATES
22 THAT ONE IN FIVE PEOPLE, ONE IN FIVE ADULTS SUFFER
23 FROM THE DEBILITATING AND PAINFUL DISEASE CALLED
24 OSTEOARTHRITIS. THIS HAS A \$128 BILLION PRICE TAG
25 ON THE NATIONAL ECONOMY.

BARRISTERS' REPORTING SERVICE

1 THESE PATIENTS NOT ONLY HAVE A REDUCED
2 QUALITY OF LIFE, BUT ALSO HAVE AN INCREASED
3 INCIDENCE OF HEART DISEASE, DIABETES, AND OBESITY
4 BASED UPON IMMOBILITY. AT PRESENT THERE ARE NO
5 THERAPIES FOR THE TREATMENT OF OSTEOARTHRITIS OR
6 EVEN TO SLOW IT DOWN.

7 I'VE BEEN WORKING IN THIS FIELD FOR THE
8 PAST 16 YEARS TO DEVELOP THERAPIES FOR CARTILAGE
9 REPAIR OF DAMAGED AND DISEASED TISSUE, AND THIS IS
10 THE FIRST TIME THAT WE HAVE GREAT HOPE TO TRANSLATE
11 THIS FROM THE LAB INTO THE CLINIC TO HELP MILLIONS
12 OF PEOPLE.

13 WE ARE GRATEFUL TO THE PREVIOUS FUNDING
14 THAT WE RECEIVED IN 2009 FROM CIRM WHERE WE
15 DEVELOPED CHONDROPROGENITOR CELLS FROM AN EMBRYONIC
16 STEM CELL SOURCE, AND WE COMPARED THESE TO OTHER
17 HUMAN CELLS IN THE CLINIC AND ALSO COMPARED TO THOSE
18 IN DEVELOPMENT. AND OUR CHONDROPROGENITOR CELLS
19 OUTPERFORMED ANY OF THESE TREATMENT OPTIONS.

20 WE HAVE BEEN IN CONTACT WITH THE FDA TO GO
21 THROUGH THEIR REGULATORY PROCESS, AND WE BELIEVE
22 THAT WE ARE VERY CLOSE TO PRE-IND. AS WELL, WE HAVE
23 PEOPLE ON OUR TEAM THAT ARE MEMBERS OF THE ADVISORS
24 TO THE FDA FOR CELLULAR AND DRUG TREATMENT.

25 WE NEED TO TREAT DAMAGED CARTILAGE BEFORE

BARRISTERS' REPORTING SERVICE

1 IT PROGRESSES TO OSTEOARTHRITIS. WE HAVE CONVINCING
2 DATA. WE HAVE A TEAM THAT HAS CLINICAL EXPERIENCE
3 TO TRANSLATE BASIC TECHNOLOGIES. WE HAVE MATCHING
4 FUNDS, AND WE HAVE PATIENTS ASKING US TO DEVELOP
5 THIS TREATMENT. WE NEED TO KEEP THE MOMENTUM WHILE
6 WE HAVE OUR TEAM IN PLACE AND WHILE WE HAVE MATCHING
7 FUNDS.

8 SO I APPEAL TO THE COMMITTEE TO CONSIDER
9 GRANTING THIS APPLICATION. THANK YOU.

10 DR. HELMS: MY NAME IS JILL HELMS. I'M A
11 PROFESSOR AT STANFORD AND THE PI OF THE GRANT
12 PC1-08105. WE'VE NEVER MET, BUT YOU AND I HAVE
13 WORKED TOGETHER FOR THE LAST MANY YEARS BUILDING A
14 PROGRAM. WE BEGAN WITH AN EARLY TRANSLATIONAL
15 AWARD. WE GOT THE FIRST EVER BRIDGE FUNDING FROM
16 THIS BOARD, AND WE'VE ALSO GOTTEN EXTRAORDINARY
17 SUPPLEMENTAL FUNDING FROM CIRM.

18 WE'RE NOW ARRIVING AT THE PRECIPICE OF A
19 THERAPY. TOGETHER WITH SOME REALLY EXCEPTIONAL CIRM
20 STAFF, WE BUILT A PROGRAM THAT ADDRESSES A LARGE AND
21 UNMET NEED OF SKELETAL HEALING IN THE ELDERLY.
22 WE'RE NOW ON THE FINAL APPROACH TO AN IND. THE
23 PROPOSAL IN FRONT OF YOU HAS COMMERCIAL GRADE
24 MILESTONES. IT'S BEEN VETTED BY A PREMIER
25 CALIFORNIA VENTURE FUND. IT'S BEEN ANALYZED BY

BARRISTERS' REPORTING SERVICE

1 EXTERNAL CONSULTANTS ON EVERY LEVEL, AND IT'S GUIDED
2 BY A WORLD-CLASS SCIENTIFIC ADVISORY BOARD.

3 I'M STANDING BEFORE YOU NOW BECAUSE WE'RE
4 ON THE CUSP OF FUNDING. EACH GRANT APPLICATION
5 BRINGS WITH IT NEW REVIEWERS AND A NEW SET OF
6 QUESTIONS. AS A SCIENTIST, I HOLD PEER REVIEW
7 PROCESS IN THE HIGHEST REGARD, BUT BOTH YOU ON THIS
8 BOARD AND I RECOGNIZE THAT THE PROCESS IS NOT
9 PERFECT.

10 IN NEARLY EVERY ICOC MEETING YOU CHOOSE TO
11 FUND SOME TIER II PROJECTS, AND THE CENTRAL
12 RATIONALE HAS BEEN THAT THE MEDIAN SCORE OF THE
13 PROPOSAL IS 75 OR HIGHER AND THAT THE MAJORITY OF
14 REVIEWERS PLACED THE GRANT IN TIER I. OUR PROPOSAL
15 FULFILLS BOTH OF THESE RIGOROUS CRITERIA.

16 THE CRITICISMS OF OUR PROPOSAL WERE NOT
17 ABOUT EFFICACY OR APPROACH, ABOUT CMC, OR MECHANISM
18 OF ACTION. INSTEAD THEY CENTERED AROUND THE NEED TO
19 HAVE A REGULATORY EXPERT AS PART OF OUR TEAM AND THE
20 SUGGESTION THAT WE FOCUS ON A SINGLE LEAD
21 INDICATION.

22 SOME REVIEWERS SIMPLY MISSED THE FACT THAT
23 WE HAVE A REGULATORY COMPANY AS PART OF OUR TEAM.
24 AND AS FOR SELECTING A LEAD INDICATION AND
25 SCHEDULING A PRE-IND MEETING, YOU ALREADY SAW IN THE

BARRISTERS' REPORTING SERVICE

1 PRESENTATION BEFORE THIS THAT THEY ARE WITHIN SCOPE
2 OF THIS RFA, AND THEY'RE BOTH A PART OF OUR EXISTING
3 MILESTONE PLAN.

4 THE RFA ALSO STATES THAT PROGRAMS THAT
5 BRING IN 25-PERCENT EXTERNAL CO-FUNDING WILL BE
6 PRIORITIZED. WE HAVE A CO-FUNDER. IT'S BACKED BY
7 AVALON VENTURES, A PREMIER CALIFORNIA VENTURE FUND.
8 AND THEIR COMMITMENT IS WELL IN EXCESS OF 25
9 PERCENT. THEIR CO-FUNDING IS A DIRECT DEMONSTRATION
10 OF CIRM'S MISSION TO COMMERCIALIZE STEM CELL
11 TECHNOLOGIES, AND WE RESPECTFULLY REQUEST THAT THE
12 ICOC APPLY THIS PRIORITY.

13 NOW, I'M FULLY AWARE OF THE RECOMMENDATION
14 THAT WE REAPPLY THROUGH CIRM 2.0, BUT WE'VE DONE THE
15 CALCULATIONS. A PRE-IND MEETING IS REQUIRED FOR
16 THOSE APPLICATIONS, SO IF WE FOLLOW THIS ADVICE,
17 IT'S HITTING PAUSE BUTTON FOR TEN MINUTES.

18 I HAVE A DEEPLY PERSONAL CONNECTION TO
19 DEVELOPING A STEM CELL THERAPY FOR CALIFORNIANS AND
20 THE WORLD. I URGE YOU TO VOTE IN FAVOR OF OUR
21 PROPOSITION.

22 DR. MADIGAN: MY NAME IS SANDY MADIGAN,
23 AND I'M THE FOUNDING CEO OF ANKASA REGENERATIVE
24 THERAPEUTICS. ANKASA IS OSTENSIBLY THE CO-FUNDER
25 FOR DR. HELMS' PROJECT. PERHAPS NOW WE'RE THE ONLY

BARRISTERS' REPORTING SERVICE

1 FUNDER. I GUESS WE'LL SEE.

2 SO CO-FUNDING WITH A COMMERCIAL PARTNER
3 HAS BEEN A NOTED INTEREST OF CIRM, AND I'M GOING TO
4 TALK A BIT ABOUT WHY US AND WHY THAT'S IMPORTANT.

5 AFTER FOLLOWING DR. HELMS' WORK FOR ABOUT
6 FOUR YEARS NOW, KEVIN KINSELLA, WHO IS THE FOUNDING
7 AND MANAGING PARTNER OF AVALON VENTURES, DECIDED
8 THIS WAS THE TIME TO STEP IN. IT'S IMPORTANT, AS A
9 LOT OF PEOPLE TELL YOU ALREADY, TO PROVIDE THESE
10 THERAPEUTIC OPTIONS FOR ELDERLY PATIENTS, ESPECIALLY
11 IN LIGHT OF DR. HELM' TECHNOLOGY. SO MR. KINSELLA
12 HAS A SUCCESSFUL HISTORY OF DEVELOPING COMPANIES
13 OVER 30 YEARS IN CALIFORNIA AND BEYOND.

14 HE'S ALSO WORKED WELL WITH NONPROFIT
15 ORGANIZATIONS, AND THIS IS EVIDENCED BY THE
16 SUCCESSFUL DEVELOPMENT OF KALYDECO, A NEW CYSTIC
17 FIBROSIS DRUG THAT WAS WORKED OUT IN PARTNERSHIP
18 WITH THE CYSTIC FIBROSIS FOUNDATION. CALLED THE
19 MOST IMPORTANT NEW DRUG OF 2012 BY FORBES, IT WAS
20 DEVELOPED WITH SUPPORT TO THE TUNE OF \$150 MILLION
21 OVER 15 YEARS FROM THE CF FOUNDATION TO TWO
22 COMPANIES, AURORA BIOSCIENCES AND THEIR ACQUIRER,
23 VERTEX PHARMACEUTICALS. IMPORTANTLY, CF
24 FOUNDATION'S SALE OF THIS ROYALTY STREAM RECENTLY
25 FOR \$3.3 BILLION WAS THE FIRST OF ITS KIND AND NOTED

BARRISTERS' REPORTING SERVICE

1 BY WARDEN AS A DEAL THAT WILL CHANGE PHILANTHROPY.

2 SO WHY DO I MENTION THESE COMPANIES?

3 KEVIN KINSELLA WAS PERSONALLY THE FOUNDER AND
4 FINANCIER OF BOTH OF THOSE COMPANIES THAT BENEFITED
5 FROM THE CF FOUNDATION'S WORK. SO CLEARLY HE'S AN
6 EMINENT PARTNER IN THESE AREAS WITH NOT-FOR-PROFIT
7 ORGANIZATIONS.

8 SO IF CIRM IS REALLY SERIOUS ABOUT RAPIDLY
9 DEVELOPING DRUGS TO HELP PATIENTS, THERE'S NO BETTER
10 CO-FUNDER THAN KEVIN KINSELLA AND AVALON VENTURES.

11 SO I'D LIKE TO MOVE ON TO THE REVIEW
12 PROCESS A BIT. IT'S SUGGESTED THAT THE RFA HAS
13 BECOME A LITTLE BIT OF A MOVING TARGET. I THINK
14 WE'VE SEEN PRESENTATIONS THAT SHOWED WHAT THE
15 TARGETS WERE, AND IT SEEMS THAT DURING THE REVIEW
16 THAT TARGET HAS BEEN MOVED. FOR EXAMPLE, DR. HELMS
17 ALREADY NOTED THAT HER APPLICATION WAS CRITICIZED
18 FOR HAVING TWO INDICATIONS RATHER THAN ONE.
19 SELECTED INDICATION IS IN SCOPE; THEREFORE, IT'S
20 UNFAIRLY PUNITIVE TO APPLY CRITERIA THAT DIDN'T
21 EXIST.

22 SIMILARLY, THE APPLICATION WAS CRITICIZED
23 FOR LACK OF FDA ENGAGEMENT. AGAIN, THAT'S IN SCOPE.
24 AND, AGAIN, THAT'S AN APPLIED CRITERIA THAT DID NOT
25 EXIST AT THE TIME OF THE SUBMISSION.

BARRISTERS' REPORTING SERVICE

1 ALSO, ONE REVIEWER HAD A FUNDAMENTAL
2 MISUNDERSTANDING OF DR. HELMS' APPROACH. THIS
3 REVIEWER SUGGESTED USE OF A SYNTHETIC CARRIER, WHICH
4 IS A KNOWN ISSUE WITH BNP2, A DIRECT COMPETITOR OF
5 OURS, AND DIRECTLY OPPOSED TO THE PROCESS THAT SHE'S
6 TEACHING. WE JUST HAVE TO DO BETTER THAN THAT.

7 LASTLY, SINCE THE FOCUS IS ON NUMBERS,
8 WE'RE FOCUSING ON THE NUMBER 75, I WANT TO DISCUSS
9 SOME NUMBERS. SO LET'S TALK ABOUT THE NUMBER 3,
10 WHICH IS THE POINT THAT DR. HELMS MISSED THE CUTOFF.
11 THE NUMBER 6, THE YEARS OF FUNDING THAT CIRM'S
12 ALREADY PROVIDED TO HER. THE NUMBER 7 IN MILLIONS
13 OF DOLLARS ALREADY PROVIDED FROM CIRM. THE NUMBER
14 16 AS IN MILLIONS OF DOLLARS THAT ANKASA HAS RAISED
15 TO SUPPORT THE CO-FUNDING OF THIS AND MOVE IT INTO
16 THE CLINIC. THE NUMBER 45, THE OUTLIER SCORE THAT
17 WITHOUT WOULD MOVE THIS INTO THE FUNDABLE RANGE.
18 AND THE NUMBER 75, THE TIER I RECOMMEND FOR FUNDING
19 SCORE THAT IS THE MEDIAN OF DR. HELMS' APPLICATION.

20 SO IN CONCLUSION, SUPPORT OF HER
21 CO-FUNDER, KEVIN KINSELLA, AND AVALON VENTURES, THE
22 SIMPLE FACT THAT DR. HELMS' APPLICATION MET ALL
23 EXISTING CRITERIA AT THE TIME OF SUBMISSION BOTH
24 PROVIDE STRONG BASIS FOR THE ICOC TO SUPPORT FUNDING
25 OF THIS APPLICATION. THANK YOU FOR YOUR TIME.

BARRISTERS' REPORTING SERVICE

1 MR. SHEEHY: DO WE HAVE ADDITIONAL PUBLIC
2 COMMENT?

3 DR. SCHUBERT: SPEAKING OF ARTHRITIS, HERE
4 COMES A VICTIM RIGHT NOW. TALKING ABOUT ALZHEIMER'S
5 NOW. MY NAME IS DAVE SCHUBERT. I'M ON THE FACULTY
6 AT THE SALK INSTITUTE. I'M SPEAKING IN SUPPORT OF A
7 PRECLINICAL DEVELOPMENT AWARD CALLED "STEM
8 CELL-BASED SMALL MOLECULE FOR ALZHEIMER'S DISEASE."

9 THE GOAL IS TO GET -- DO THE NECESSARY
10 PRECLINICAL WORK IN ORDER TO GET THIS DRUG INTO THE
11 CLINIC, DRUG CANDIDATE. AND THE BASIS FOR THIS
12 APPEAL IS FUNDING LEVEL. AS MY PREDECESSORS HAVE
13 TALKED ABOUT WITH THEIR SITUATION, WE HAVE NEW DATA
14 WHICH WAS NOT AVAILABLE AT THE TIME OF THE REVIEW
15 PROCESS AND THE MEDICAL NEED.

16 MEDICAL NEED, I THINK, IS OBVIOUS TO
17 EVERYONE. THERE'S NO EFFECTIVE THERAPY FOR
18 ALZHEIMER'S. THIS IS PROBABLY THE WORST MEDICAL
19 SITUATION IN THE UNITED STATES. IT'S THE THIRD
20 LEADING CAUSE OF DEATH. AND THERE ARE ABOUT 600,000
21 CASES IN CALIFORNIA THAT ARE KNOWN AND PROBABLY A
22 MILLION ALTOGETHER INCLUDING THE ONES THAT ARE NOT
23 KNOWN.

24 WE ARE CURRENTLY JUST FINISHING THE THIRD
25 YEAR OF AN EARLY TRANSLATIONAL RESEARCH GRANT WHICH

BARRISTERS' REPORTING SERVICE

1 WAS GENEROUSLY FUNDED BY CIRM, AND THE GOAL OF THIS
2 WAS TO USE HUMAN ES CELLS AS A BASIS, ES-DERIVED
3 NEURAL PRECURSOR CELLS AS A BASIS FOR SCREENING DRUG
4 CANDIDATES THAT STIMULATE THE PRODUCTION OF NERVE
5 CELLS IN THE -- NEW NERVE CELLS IN THE HUMAN BRAIN
6 AND ALSO IS VERY NEUROPROTECTIVE, WHICH IS REQUIRED.

7 AND SO THIS WAS -- WE HAVE MADE A GREAT
8 DEAL OF PROGRESS AS DOCUMENTED IN THE PROGRESS
9 REPORTS OVER THE YEARS. WE THINK THIS PROGRAM WAS
10 ENORMOUSLY SUCCESSFUL. WE CAME UP WITH ONE
11 CANDIDATE WHICH STIMULATES THE PRODUCTION OF HUMAN
12 NERVE CELLS IN CULTURE SITUATION. AND IT'S
13 EXTREMELY NEUROPROTECTIVE. THIS WORKS EXCEPTIONALLY
14 WELL IN VARIOUS ANIMAL MODELS OF ALZHEIMER'S
15 DISEASE, AND WE THINK IT'S ONE OF THE BEST
16 CANDIDATES, NOT THE BEST AD CANDIDATE ON THE MARKET.

17 SO AS PREVIOUS SPEAKERS HAVE SAID, WE'RE
18 IN THE SECOND TIER. THE FUNDING WAS MARGINAL. SO
19 THE BASIS OF THIS APPEAL IS NEW DATA. WE HAVE JUST
20 COMPLETED, AS DOCUMENTED IN THE LAST PROGRESS
21 REPORT, WHICH I DON'T THINK WAS AVAILABLE FOR THE
22 REVIEWERS OF THIS APPLICATION TO SEE, WE WERE ABLE
23 TO SHOW THAT THIS DRUG CANDIDATE RESTORES MEMORY IN
24 OLD MICE. IN OLD ALZHEIMER'S MICE, IT RESTORES IT
25 BACK TO THE LEVEL OF THEIR NON-AD CONTROLS AND

BARRISTERS' REPORTING SERVICE

1 ALSO WORKS IN TWO OTHER MODELS OF AD MICE. AS FAR
2 AS WE KNOW, THIS IS THE ONLY DRUG CANDIDATE THAT
3 ACTUALLY CAN WORK IN THIS TYPE OF MODEL.

4 AND WE'VE ALSO LEARNED IN THE LAST FEW
5 WEEKS ACTUALLY THE MOLECULAR TARGET OF THIS DRUG
6 WHICH IS A BIG HELP IN GETTING IT THROUGH THE IND
7 PHASE. SO WE HAVE SPENT -- THAT'S A SIGN TO STOP?
8 OKAY.

9 ANYWAY, CAN I GO ON FOR ANOTHER 30
10 SECONDS? NO. IT'S HARD -- OKAY.

11 SO WE ARE AT THIS MARGINAL LEVEL OF
12 FUNDING. THE MEDIAN SCORE WAS THE SAME AS SOME
13 FUNDED GRANTS. WE HAD THE HIGHEST SINGLE SCORE
14 WITHIN OUR GROUP. WE WERE A LOWER COST THAN OTHER
15 GROUPS, AND I THINK THE NEED IS TREMENDOUS, AND
16 NOBODY CAN ARGUE ABOUT THAT. THANK YOU.

17 DR. CASHMAN: I'M JOHN CASHMAN, PRESIDENT
18 OF HUMAN BIOMOLECULAR RESEARCH INSTITUTE IN SAN
19 DIEGO, A SMALL NONPROFIT RESEARCH INSTITUTE. I'M
20 SPEAKING HERE ON BEHALF OF MY TEAM. DANIEL IS GOING
21 TO SPEAK AFTER ME AND TALK A LITTLE BIT ABOUT THE
22 SCIENCE. NATE QUARRY, WHO IS AN INTERNATIONALLY
23 RECOGNIZED KICK FIGHTER FROM MMA AND IFC, IS GOING
24 TO SPEAK ABOUT HIS PERSONAL INTERACTIONS WITH SPINAL
25 DEGENERATION WHICH IS WHAT THE GRANT WAS ABOUT.

BARRISTERS' REPORTING SERVICE

1 THE GRANT WAS ENTITLED "INDUCED STEM CELL
2 IMPLANTS FOR SPINAL FUSION," 08129.

3 I WAS HERE ABOUT A YEAR AGO BECAUSE I
4 RESPONDED TO THE TRANSLATIONAL APPLICATION, AND
5 DUANE ROTH WAS SITTING RIGHT OVER THERE. AND THE
6 GRANT GOT A SCORE OF ABOUT 65, WHICH PUT IT ON THE
7 CUSP. AND DUANE SAID, "WELL, CIRM WILL WORK WITH
8 YOU TO GET THAT OVER THE HUMP SO THAT IT CAN GET
9 FUNDED AND APPROVED." AND SO, IN FACT, ALONG THE
10 SAME LINES AS RANDY HAS TALKED ABOUT IN 2.0, WE
11 WORKED CLOSELY WITH CIRM. WE WORKED WITH GIL AND
12 PAT AND THEIR TEAM TO DESIGN THE EXPERIMENT TO
13 ADDRESS THE ISSUES, AND THERE WERE MAINLY TWO
14 ISSUES.

15 ONE WAS THE REVIEW THOUGHT THAT THERE WAS
16 NO MEDICAL NEED. WELL, THERE ARE 88,000 PEOPLE IN
17 CALIFORNIA THAT SUFFER FROM SPINAL DEGENERATION.
18 IT'S A MAJOR ISSUE. ABOUT HALF OR 44,000 DON'T SEEK
19 TREATMENT BECAUSE OF SOME OF THE REASONS THAT NATE
20 WILL EXPLAIN TO YOU.

21 NONETHELESS, WE WORKED VERY HARD, AND IT'S
22 VERY EXPENSIVE, AS SPEAKERS POINTED OUT BEFORE, TO
23 FUND RESEARCH IN A SMALL NONPROFIT THAT DOESN'T HAVE
24 ANY DISCRETIONARY FUNDS TO GET THE PRELIMINARY
25 RESULTS TO RESPOND TO THE REVIEWERS. NEVERTHELESS,

BARRISTERS' REPORTING SERVICE

1 WE DID THAT, AND THE EXPERIMENTS WERE MASSIVELY
2 SUCCESSFUL. WE GREW HUMAN BONE CELLS IN RATS IN A
3 ROBUST FASHION THAT'S NEVER BEEN REPORTED BEFORE.
4 AS A PRE-IND ENABLING MODEL, THIS WAS A SPECTACULAR
5 RESULT.

6 SO THEN WE WENT BACK IN TO CIRM, AND WE
7 DID NOT GET INTO TIER II. WE GOT INTO TIER III.
8 THIS IS AFTER DILIGENTLY DOING THE EXPERIMENT THAT
9 CIRM AND THE TEAM OUTLINED FOR US TO DO AND THE
10 REVIEWERS REQUESTED.

11 SO THIS IS EXTREMELY FRUSTRATING. THE
12 LAST CONVERSATION I HAD WITH DUANE AT THE OAKLAND
13 AIRPORT ABOUT A YEAR AGO WAS, "JOHN, I REALLY LIKE
14 YOUR PROGRAM. I REALLY LIKE YOUR PRODUCT. IT'S
15 VERY FDA ENABLED. ALL THE COMPONENTS ARE EITHER FDA
16 APPROVED OR FDA CERTIFIED. IT'S ALL READY TO GO.
17 CIRM IS INTERESTED IN DEVELOPING PRODUCTS. THIS IS
18 A NEAR PRODUCT DEVELOPMENT THAT'S GOING TO ADDRESS A
19 MAJOR UNMET NEED IN CALIFORNIA."

20 ARE THOSE THE ANGELES BELLS? SO I'M HERE
21 TO REQUEST THAT THE BOARD RECONSIDER THIS.
22 CERTAINLY THE SYSTEM IS BROKEN. WE WERE TOLD IF WE
23 DID THIS, WE WOULD HAVE OBVIOUSLY A VERY GOOD CHANCE
24 TO GET FUNDED. I REQUEST A RE-REVIEW. THANK YOU.

25 DR. RYAN: GOOD MORNING. DANIEL RYAN,

BARRISTERS' REPORTING SERVICE

1 PRINCIPAL SCIENTIST AT HBRI.

2 JUST TO EXPAND ON JOHN'S COMMENTS, AT HBRI
3 WE FEEL WE'VE HAD A BREAKTHROUGH IN USING HUMAN STEM
4 CELL IMPLANTS FOR SPINAL FUSION PROCEDURES. THIS
5 TECHNOLOGY WAS DEVELOPED THROUGH A SERIES OF STEPS.
6 FIRST, WE DISCOVERED THAT ONE OF THE MINOR
7 COMPONENTS OF THE FOOD SPICE TURMERIC WAS POTENTLY
8 ABLE TO PROMOTE HUMAN STEM CELLS TO ADOPT THE BONE
9 LINEAGE. WE ISOLATED THAT MOLECULE, PREPARED IT,
10 AND PROVED THAT OUT.

11 SECONDLY, WE USED THE SMALL MOLECULES IN A
12 NEW WAY IN STEM CELL RESEARCH.

13 MR. SHEEHY: EXCUSE ME. I'M JUST VERY
14 UNCOMFORTABLE WITH -- I THINK IF THINGS ARE GOING TO
15 BE HANDED TO BOARD MEMBERS, THEY SHOULD BE HANDED TO
16 TEAM MEMBERS TO HAND OUT TO THE BOARD. I JUST FIND
17 IT VERY UNCOMFORTABLE. I JUST DON'T THINK THAT'S
18 GENERALLY HOW WE MAKE THINGS AVAILABLE TO BOARD
19 MEMBERS, AND I THINK IT IS DISCONCERTING TO ME.

20 DR. CASHMAN: MR. CHAIRMAN, WE'RE JUST
21 TRYING TO MAKE IT --

22 MR. SHEEHY: THAT'S FINE. WE'LL ACCEPT
23 ANY DOCUMENTS, BUT THEY REALLY SHOULD GO TO TEAM
24 MEMBERS TO HAND TO THE BOARD. YOU CAN PROCEED.

25 DR. RYAN: THE SECOND ASPECT OF THIS

BARRISTERS' REPORTING SERVICE

1 TECHNOLOGY WAS HOW WE USE THESE SMALL MOLECULES FROM
2 TURMERIC. STEM CELLS NORMALLY NEED A CARRIER SO
3 THAT THEY'RE MAINTAINED AT THE SITE OF IMPLANTATION.
4 WE FOUND THAT WHEN WE TREATED THE STEM CELLS ON A
5 BONE MATRIX WITH THE SMALL MOLECULES, THE AMOUNT OF
6 BONE GROWTH FAR EXCEEDED OUR EXPECTATIONS FROM THE
7 COMPOUND ALONE. WE TESTED THIS IN A RAT MODEL OF
8 SPINAL FUSION. THE GOAL IS TO FORM HUMAN BONE IN
9 RAT. AND THE HANDOUTS THAT YOU'VE RECEIVED OR MAY
10 RECEIVE SHOW SOME OF THE RESULTS OF THIS STUDY.

11 USING RADIOGRAPHIC ANALYSIS, WE SAW ROBUST
12 SPINAL FUSION AND ACHIEVED -- 95 PERCENT OF THE
13 IMPLANTS ACHIEVED FUSION. THIS FAR EXCEEDED OUR
14 EXPECTATIONS IN THAT ALL PRIOR REPORTS OF HUMAN STEM
15 CELL IMPLANTS IN THIS MODEL FORM VERY LITTLE BONE.
16 HISTOLOGY AND MATRICES CONFIRM ROBUST HUMAN BONE
17 GROWTH WITH ADDITIONAL VASCULARIZATION AND IN-GROWTH
18 OF BLOOD VESSELS TO SUPPORT THAT TISSUE. IN EFFECT,
19 BONE GROWTH IS GREATER. AND SINCE WE STIMULATE THE
20 CELLS ON THE MATRIX, PRACTICALLY WE'RE STIMULATING
21 WHAT GOES INTO THE ACTUAL IMPLANT. SO IT'S REDUCED
22 TO PRACTICE VERY EFFICIENTLY.

23 WE FEEL THERE ARE A LOT OF POTENTIAL
24 OPPORTUNITIES FOR ROBUST STEM CELL IMPLANTS FOR
25 SPINAL FUSION PATIENTS. THE LEADERS IN THIS AREA

BARRISTERS' REPORTING SERVICE

1 ARE OVERSEAS, BUT WE HAVE THE TECHNOLOGY WITH YOUR
2 SUPPORT TO DEVELOP A BETTER, FIRST IN CLASS OR BEST
3 IN CLASS THERAPEUTIC RIGHT HERE IN CALIFORNIA. SO
4 WITH THAT, I WOULD LIKE TO ALSO REQUEST A REVIEW OF
5 THE STEM CELL IMPLANT APPLICATION. THANK YOU.

6 MR. SHEEHY: HAVE ADDITIONAL PUBLIC
7 COMMENT?

8 MR. QUARRY: MY NAME IS NATHAN QUARRY. I
9 AM THE PATIENT. A FEW YEARS AGO MY CAREER WAS AS A
10 PROFESSIONAL FIGHTER. I FOUGHT FOR THE UFC, THE
11 ULTIMATE FIGHTING CHAMPIONSHIP. IF YOU'VE EVER RAN
12 FLIPPING THROUGH THE CHANNELS AND YOU SEE TWO
13 KNUCKLEHEADS BEATING THE HELL OUT OF EACH OTHER IN A
14 CAGE, THAT WAS ME. AND I WAS STRUCK DOWN WITH
15 DEGENERATIVE DISK DISEASE IN MY LUMBAR. MY L-2/3
16 HAD COMPLETELY COLLAPSED, AND I WENT FROM FIGHTING
17 FOR THE WORLD TITLE TO NOT BEING ABLE TO PICK UP MY
18 LITTLE GIRL.

19 FORTUNATELY THE TECHNOLOGY HAD PROGRESSED
20 WHERE I COULD LOOK INTO GETTING A SPINAL FUSION. AS
21 MY SURGEON TOLD ME, THE GOLD STANDARD WAS TO HARVEST
22 BONE OFF MY HIP. WELL, JUST A COUPLE WEEKS AFTER MY
23 SURGERY, MY BACK WAS FEELING SO MUCH BETTER, THE
24 INFLAMMATION HAD GONE DOWN, BUT FOR MONTHS MY HIP
25 WAS ACHING TO THE POINT WHERE I HAD TO TAKE EXTENDED

BARRISTERS' REPORTING SERVICE

1 PAIN MEDICATIONS JUST TO DEAL WITH THAT. AND NOW I
2 REPRESENT THOUSANDS AND MILLIONS OF PEOPLE THAT ARE
3 SUFFERING FROM BACK PAIN.

4 AS WE GO THROUGH OUR LIVES, 80 PERCENT OF
5 US WILL SUFFER FROM BACK PAIN. SO I HEAD UP A
6 PATIENT SUPPORT PROGRAM CALLED THE BETTER WAY BACK.
7 I HOPE TO EDUCATE THESE PATIENTS. AND THE FEAR THAT
8 I HEAR ALL THE TIME, WHAT ABOUT THE PAIN? WHAT
9 ABOUT THIS HARVESTING OF MY BONE? BECAUSE IT'S
10 HORRIBLY PAINFUL, AND IT LEADS TO MORE DRUG USE,
11 MORE TIME IN THE HOSPITAL. WE'RE IN AN EPIDEMIC
12 RIGHT NOW AS PRESCRIPTION DRUG ABUSE HAS SURPASSED
13 ILLEGAL DRUG USE AS FAR AS DEATH AND TIME LOST. AND
14 WHEN I HEAR ABOUT THIS TECHNOLOGY, I GET EXCITED.
15 I'M EXCITED TO BE HERE REPRESENTING ALL OF THESE
16 PATIENTS. AND I THINK ABOUT THIS TECHNOLOGY THAT
17 WILL HELP DRIVE AMERICA BACK TO THE FOREFRONT IN
18 THESE AREAS.

19 SO MANY PEOPLE ARE SUFFERING FROM BACK
20 PAIN, AND WE NEED TO CHANGE THE PUBLIC MISCONCEPTION
21 THAT THIS IS A LIFE SENTENCE, THAT YOU JUST HAVE TO
22 LIVE WITH THIS. AS I WAS TOLD, IF YOU GET BACK
23 SURGERY, YOUR LIFE IS OVER. YOU'LL NEVER FIGHT
24 AGAIN. YOU'LL NEVER WORK AGAIN. FORGET ABOUT
25 PICKING UP YOUR LITTLE GIRL. AND I OPTED TO HAVE MY

BARRISTERS' REPORTING SERVICE

1 SURGERY.

2 NOW KNOWING THAT I HAVE DEGENERATIVE DISK
3 DISEASE, OTHER DISKS OF MINE ARE COLLAPSING, AND I'M
4 NOT LOOKING FORWARD TO THOSE DAYS WHEN THE DOCTOR
5 SAYS WE CAN HARVEST BONE OFF OF YOUR HIP TO GET YOU
6 BACK, GIVE YOU THAT GOLD STANDARD. NO. I PREFER TO
7 WAIT FOR THIS TECHNOLOGY TO TAKE PLACE AS EVEN WITH
8 THAT, WITH THE BONE GRAFTED OFF MY HIP, THAT'S A
9 SIX-MONTH PROCESS FOR THE BONE TO COME TOGETHER AND
10 HEAL MY BACK; WHEREAS, WITH THIS TECHNOLOGY SPEEDING
11 UP THAT PROCESS, LETTING ME GET BACK TO WORK,
12 LETTING ALL OF AMERICA GET OVER THESE ISSUES, GET
13 BACK TO WORK, TAKE CARE OF THEIR FAMILIES, GET OFF
14 OF THESE PAIN MEDICATIONS THAT ARE KILLING OUR
15 COUNTRY. THAT'S WHAT I'M EXCITED TO SEE, AND
16 HOPEFULLY THAT THIS TECHNOLOGY WILL CONTINUE MOVING
17 FORWARD. THANK YOU.

18 MR. SHEEHY: THANK YOU. DO WE HAVE
19 ADDITIONAL PUBLIC COMMENT? OKAY. SO I THINK, DR.
20 SAMBRANO, WILL YOU REITERATE THE TEAM
21 RECOMMENDATIONS?

22 DR. SAMBRANO: SURE. I WANTED TO JUST
23 POINT OUT THAT WE HAD SOME FORMAL APPEALS THAT WERE
24 SUBMITTED, SO THERE WERE THREE. THERE'S A MEMO THAT
25 I PROVIDED THAT SUMMARIZES OUR FINDINGS ON THOSE.

BARRISTERS' REPORTING SERVICE

1 TWO OF THOSE WERE DENIED. ONE APPLICATION, WHICH IS
2 PC1-08132, WHICH IS IN TIER III, IS BEING DEFERRED.
3 THAT'S THE LAST ONE LISTED ON THE MEMO. SO THAT ONE
4 WILL NOT BE CONSIDERED AT TODAY'S BOARD MEETING.

5 MR. SHEEHY: THANK YOU, DR. SAMBRANO.
6 PERHAPS IF WE COULD GET JUST A REITERATION WHAT THE
7 TEAM'S RECOMMENDATIONS WERE FOR TIER II. I THINK
8 SOME OF IT WAS KIND OF ALLUDED TO IN WHAT WE HEARD
9 FROM THE PUBLIC COMMENT IS THAT IN SOME WAYS THERE
10 WERE FLAWS THAT WERE IN OUR PREVIOUS SYSTEM THAT
11 HAVE NOW BEEN ADDRESSED THROUGH CIRM 2.0 AND THE
12 OPPORTUNITY TO COME BACK IN IN CIRM 2.0 IN
13 SITUATIONS WHERE IF YOU DO END UP IN TIER II, YOU
14 GET CLEAR DIRECTION ON WHAT NEEDS TO BE FIXED IN
15 YOUR PROJECT, YOU FIX THOSE, AND YOU CAN COME BACK
16 IN A REALLY SHORT TIME. WE GET A BETTER TURNAROUND,
17 WE GET BETTER INFORMATION GOING BACK AND FORTH
18 BETWEEN THE REVIEW TEAM AND THE APPLICANTS.

19 AND I THINK SOME OF THE THINGS THAT HAVE
20 BEEN ALLUDED TO LIKE EVERY TIME YOU GO THROUGH A
21 REVIEW, IT'S A NEW SET OF REVIEWERS. THERE'S GOING
22 TO BE MORE CONSISTENCY AND COHERENCE BETWEEN THE
23 REVIEWS. THAT'S JUST PART OF THE FEATURES, BUT I'LL
24 HAND IT TO DR. MILLS.

25 DR. MILLS: SO THAT'S CORRECT. COUPLE OF

BARRISTERS' REPORTING SERVICE

1 THINGS TO POINT OUT ABOUT THE REVIEW PROCESS. ONE,
2 THE REVIEW PROCESS IN ITSELF IS SUBOPTIMAL IN ITS
3 CURRENT FORM, WHICH IS WHY WE MADE A LOT OF THOSE
4 CHANGES. I THINK THAT'S AN IMPORTANT PART OF IT TO
5 POINT OUT.

6 THE SECOND THING IS THE FEEDBACK MECHANISM
7 FROM THE REVIEW PROCESS IS ALSO SUBOPTIMAL. SO IT'S
8 THE BEST -- UNDER THIS CURRENT SYSTEM, IT'S THE BEST
9 WE COULD DO TO PROVIDE FEEDBACK, BUT THE TOTALITY OF
10 THE DECISIONS THAT THE REVIEWERS -- THE TOTALITY OF
11 THE INFORMATION THE REVIEWERS CONSIDERED AND THEIR
12 REASONS FOR WHY THEY VOTED THE WAY THEY VOTED ISN'T
13 ONE-TO-ONE COMMUNICATED BACK TO THE APPLICANTS. SO
14 IT WOULD BE A FALSE STATEMENT TO SAY THE ONLY
15 PROBLEMS THE REVIEWERS HAD WITH THE APPLICATION WERE
16 X, Y, OR Z. WE DON'T UNDER THE CURRENT SYSTEM HAVE
17 A WAY OF PROVIDING ALL OF THAT INFORMATION BACK.

18 THAT SAID, THE RECOMMENDATION TO NOT FUND
19 ANYTHING NOT IN TIER I WAS BASED ON TWO
20 CONSIDERATIONS. ONE IS -- NOT FUND ANYTHING NOT IN
21 TIER I WERE BASED ON TWO CONSIDERATIONS. ONE, ALL
22 OF THE THINGS NOT IN TIER I CLEARLY HAD, WHILE SOME
23 OF THEM ARE PROMISING, HAD THINGS THAT COULD BE MADE
24 BETTER ABOUT THEM. THEY WERE NOT OPTIMAL GRANTS.
25 IT WAS NOT AN UNANSWERABLE CALL. THERE WERE THINGS

BARRISTERS' REPORTING SERVICE

1 IN TIER I THAT DID VERY WELL. AND THESE
2 APPLICATIONS DID NOT HAVE THAT.

3 SECONDLY, THE PROXIMITY OF THE NEXT
4 OPPORTUNITY TO APPLY IS RELATIVELY CLOSE COMPARED TO
5 PREVIOUSLY WHERE THE NEXT OPPORTUNITY MIGHT NOT COME
6 AROUND FOR 18 MONTHS OR SO. SINCE OUR GOAL HERE IS
7 TO LAUNCH PROJECTS THAT HAVE THE BEST OPPORTUNITY
8 ULTIMATELY TO GO ON AND SUCCESSFULLY IMPACT A
9 PATIENT AND NOT JUST TO GET THINGS LAUNCHED AS
10 QUICKLY AS WE CAN, OUR RECOMMENDATION WAS TO NOT
11 FUND THESE APPLICATIONS AND THEN TO GIVE THEM
12 CONSIDERATION FOR REAPPLICATION IN THE TWO
13 MECHANISMS WHICH WERE STATED.

14 AND LASTLY, UNDER WHICH A PROCESS WE HOPE
15 IS MUCH BETTER IN THAT IF A PROGRAM ENDS UP IN WHAT
16 IS TODAY TIER II, THEY WOULDN'T BE FACED WITH AN
17 UP-OR-DOWN DECISION, BUT THEY'D BE FACED WITH MAKING
18 THESE CORRECTIONS QUICKLY AND LET'S GET IT BACK INTO
19 THE PROCESS FOR ANOTHER RE-REVIEW IN 30 DAYS. WE'RE
20 LOOKING AT WHAT TODAY MIGHT BE A 73 IN 30 DAYS COULD
21 BE A 95, WE COULD ALL BE HAPPY WITH IT AND MOVE ON.

22 MR. SHEEHY: THANK YOU, DR. MILLS.

23 DR. JUELSGAARD: YES. DR. MILLS, JUST A
24 COUPLE OF THINGS THAT I'VE NOTED IN KIND OF LOOKING
25 THROUGH THESE MATERIALS AND LISTENING TO THE

BARRISTERS' REPORTING SERVICE

1 COMMENTS ABOUT OUR PROCESS. THESE ARE PROCESS
2 QUESTIONS, I GUESS.

3 SO ONE OF THEM IS THE SCORING AND USING AN
4 AVERAGE SCORE VERSUS A MEDIAN SCORE. SO MEDIAN IS
5 THE MIDDLE POINT, RIGHT; WHEREAS, AVERAGE TAKES
6 EVERYTHING INTO ACCOUNT. AND IN PARTICULAR WHEN YOU
7 SEE THIS KIND OF STANDARD DEVIATION GOING ON IN THE
8 TIER II, WITH TWO OF THEM THERE WAS A STANDARD
9 DEVIATION OF TEN AND A COUPLE THAT WAS A STANDARD
10 DEVIATION OF NINE, SUGGESTING THERE'S THIS BROAD
11 RANGE OF OPINION GOING ON WITH A LOW SCORE, FOR
12 EXAMPLE, 45 IN ONE OF THEM VERSUS A HIGHER SCORE OF
13 85.

14 AND SO I DON'T KNOW QUITE HOW THAT HAPPENS
15 IN A REVIEW LIKE THIS. THERE ARE SOME PEOPLE THAT
16 APPARENTLY REALLY LIKE THE PROJECT AND SOME PEOPLE
17 THAT REALLY DON'T LIKE THE PROJECT. AND SO I'M
18 WONDERING JUST ABOUT THE WAY WE DO THINGS. DO WE
19 USE AN AVERAGE SCORE, STAY WITH AN AVERAGE SCORE, DO
20 WE USE A MEDIAN SCORE? DO WE THROW OUT THE TOP
21 SCORE AND THE BOTTOM SCORE AND USE THE AVERAGE OR
22 MEDIAN OF THE REMAINING SCORES TO TRY AND CREATE A
23 LITTLE MORE UNIFORMITY? I DON'T KNOW. SO THAT'S
24 ONE POINT OR ONE CONCERN. JUST DO WE HAVE THE RIGHT
25 SCORING SYSTEM IN USE AT THE GWG, PARTICULARLY

BARRISTERS' REPORTING SERVICE

1 AMPLIFIED FOR ME IN WHAT I SEE LINED IN GRAY HERE.

2 THE SECOND IS A COMMENT ON ONE OF THE --
3 FROM GIL TO US, AND IT HAD TO DO WITH ONE OF THE
4 PROJECTS. AND AT THE VERY END OF THE LITTLE
5 PARAGRAPH, THIS IS ON 081000, IT SAYS, "AN APPEAL
6 POLICY DEFINES MATERIAL NEW INFORMATION," AND THEN
7 IT SAYS, "AS A MANUSCRIPT THAT HAS BEEN PEER
8 REVIEWED AND PUBLISHED OR ACCEPTED FOR PUBLICATION."
9 SO I CAN UNDERSTAND THAT PERHAPS IN THE ACADEMIC
10 WORLD. I HAVE A MUCH HARDER TIME UNDERSTANDING THAT
11 IN THE COMMERCIAL WORLD.

12 THERE'S A LOT OF WORK THAT GETS DONE THAT
13 COMMERCIAL ENTITIES COULD HAVE VERY MATERIAL NEW
14 INFORMATION AND THAT THEY WOULD NOT PUBLISH AND
15 WOULD NOT CHOOSE TO PUBLISH BECAUSE IT'S OF
16 COMPETITIVE ADVANTAGE. AND SO I JUST WOULD ASK US
17 TO THINK ABOUT WHETHER THAT SHOULD BE A PART OF OUR
18 POLICY AROUND MATERIAL NEW INFORMATION.

19 DR. MILLS: I AGREE WITH EVERYTHING YOU'VE
20 SAID. AND WHAT I CAN TELL YOU IS THAT THIS IS THE
21 LAST REVIEW WE'RE HOLDING UNDER THE 1.0 PROCESS FOR
22 THAT REASON. THE PROCESS ITSELF IS SUBOPTIMAL. ALL
23 OF THE ISSUES YOU RAISED WITH REGARDS TO SCORING,
24 THERE WOULDN'T EVEN BE A NEED FOR AN APPEAL UNDER
25 THE 2.0 PROCESS. AND SO I AGREE WITH ALL OF THOSE

BARRISTERS' REPORTING SERVICE

1 THINGS AND SAY OUR RESPONSE TO THAT WAS 2.0, WHICH
2 STARTS ITS FIRST REVIEW ON MONDAY.

3 I COULD HAVE GIL TAKE YOU THROUGH THE
4 SCORING, BUT THE WAY WE'VE DONE SCORING HISTORICALLY
5 HAS USED THE MEAN SCORE. THAT'S WHAT IT'S BEEN.

6 DR. SAMBRANO: I MAY ALSO POINT OUT THAT,
7 REGARDING YOUR LATTER POINT, WE DO CONSIDER FOR
8 FOR-PROFIT ENTITIES DATA THAT IS CONFIDENTIAL OR
9 PROPRIETARY THAT DOES NOT NEED TO BE PUBLISHED.
10 THAT'S PART OF THE POLICY IN THIS PARTICULAR CASE.
11 IT IS AN ACADEMIC INSTITUTION; THEREFORE, THE
12 REQUIREMENT IS THAT IT'S PUBLISHED.

13 MR. SHEEHY: SO DO WE HAVE ANY OTHER
14 QUESTIONS BEFORE WE MOVE INTO CONSIDERATION OF THESE
15 GRANTS?

16 SO THE FIRST MOTION I WILL TAKE WILL BE TO
17 MOVE ANY APPLICATION FROM TIER III TO TIER I. SO
18 THAT WOULD BE FROM THE WHITE PART INTO THE GREEN
19 PART. OKAY. I SEE NO MOTIONS.

20 THE NEXT MOTION I WILL TAKE WILL BE TO
21 MOVE AN APPLICATION FROM TIER I TO TIER III. SO
22 SOMETHING OUT OF THE FUNDABLE CATEGORY, WHICH IS THE
23 GREEN BOX, DOWN INTO THE WHITE BOX, THE UNFUNDABLE.

24 NO MOTIONS THAT I SEE. SO THE NEXT STEP
25 IS TO CONSIDER MOTIONS THAT WOULD MOVE SOMETHING

BARRISTERS' REPORTING SERVICE

1 FROM TIER II, WHICH IS THE GRAY AREA, INTO TIER I.

2 DO I HAVE ANY MOTIONS?

3 DR. PRIETO: YES. I'D LIKE TO MAKE A
4 MOTION TO MOVE PC1-08128 FROM TIER II INTO TIER I.

5 MR. TORRES: WHICH ONE IS THAT?

6 DR. PRIETO: I'M SORRY. I MISREAD.
7 PC1-08086, "HUMAN STEM CELL-BASED DEVELOPMENT OF A
8 POTENT ALZHEIMER'S DRUG CANDIDATE" FROM TIER II INTO
9 TIER I.

10 MR. SHEEHY: DO I HAVE A SECOND FOR THAT
11 MOTION?

12 MS. MILLER: SECOND.

13 MR. SHEEHY: MS. MILLER SECONDS.

14 I THINK THE NEXT STEP NOW, COULD WE JUST
15 GET A BRIEF OVERVIEW OF THAT PARTICULAR APPLICATION
16 BY A MEMBER OF THE CIRM TEAM?

17 DR. KADYK: THIS IS APPLICATION PC1-08086.
18 AND THIS PROPOSAL IS FOCUSED ON THE DEVELOPMENT OF A
19 SMALL MOLECULE DRUG FOR ALZHEIMER'S DISEASE. THIS
20 CANDIDATE SMALL MOLECULE WAS IDENTIFIED THROUGH
21 SCREENING OF HUMAN EMBRYONIC STEM CELL-DERIVED
22 NEURAL PRECURSOR CELLS FOR COMPOUNDS THAT ARE BOTH
23 NEUROGENIC AND NEUROPROTECTIVE. AND AS YOU KNOW,
24 ALZHEIMER'S DISEASE IS A PROGRESSIVE
25 NEURODEGENERATIVE DISEASE, AND IT'S A MAJOR UNMET

BARRISTERS' REPORTING SERVICE

1 NEED.

2 FOR THIS PARTICULAR APPLICATION, THE
3 APPLICANT PROPOSES THAT THE CANDIDATE SMALL MOLECULE
4 COULD POTENTIALLY PROTECT EXISTING NEURONS IN THE AD
5 PATIENT BRAIN AND STIMULATE THE PRODUCTION OF NEW
6 NEURONS, THEREBY IMPROVING MEMORY AND COGNITION.

7 AND THE ACTIVITIES PROPOSED IN THE
8 APPLICATION INCLUDE IDENTIFICATION OF METABOLITES OF
9 THE CANDIDATE SMALL MOLECULE, PK STUDIES,
10 PHARMACOKINETIC STUDIES. AGAIN, THAT'S THE EFFECT
11 OF THE BODY ON THE DRUG. IDENTIFICATION OF THE DRUG
12 TARGET OR PATHWAY, DRUG SYNTHESIS, OFF-TARGET AND
13 SAFETY SCREENS, AND DOING AN EFFICACY STUDY IN AN
14 ANIMAL MODEL IN PREPARATION FOR A PRE-IND MEETING
15 WITH THE FDA.

16 WOULD YOU LIKE TO HEAR A SUMMARY OF THE
17 REVIEWERS' COMMENTS?

18 MR. SHEEHY: I THINK WOULD THAT BE HELPFUL
19 TO THE MAKERS.

20 DR. KADYK: SO UNDER SIGNIFICANCE AND
21 IMPACT, THE REVIEWERS AGREED THAT THIS PROPOSAL
22 ADDRESSES A SERIOUS UNMET MEDICAL NEED AND THAT, IF
23 IT'S SUCCESSFUL, COULD HAVE AN ENORMOUS IMPACT ON
24 THE TREATMENT OF ALZHEIMER'S DISEASE. AND THEY FELT
25 THAT THE TARGET PRODUCT PROFILE WAS HIGHLY

BARRISTERS' REPORTING SERVICE

1 APPROPRIATE AND CONSISTENT WITH THE OBJECTIVES OF
2 THIS RFA AND OTHER ALZHEIMER'S DISEASE DRUG
3 DEVELOPMENT EFFORTS.

4 THE SCIENTIFIC RATIONALE, THE REVIEWERS
5 AGREED THAT THE PROPOSED THERAPEUTIC CANDIDATE HAS
6 DESIRABLE DRUG FEATURES BASED ON BOTH IN VITRO AND
7 IN VIVO DRUG STUDIES. FOR EXAMPLE, THEY APPRECIATED
8 IT'S PHARMACOLOGIC PROPERTIES AND THAT IT CAN
9 PENETRATE THE BLOOD-BRAIN BARRIER, WHICH IS
10 OBVIOUSLY NECESSARY FOR ALZHEIMER'S TREATMENT.

11 THEY THOUGHT THE SCIENTIFIC RATIONALE WAS
12 GENERALLY SOUND. EVEN THOUGH THE DRUG CANDIDATE HAD
13 BEEN IDENTIFIED USING A PHENOTYPIC SCREEN RATHER
14 THAN BY UNDERSTANDING OF A BIOCHEMICAL TARGET, WHICH
15 IS JUST A DIFFERENT APPROACH THAT'S NOT TYPICAL OF
16 CURRENT DRUG DEVELOPMENT EFFORTS THESE DAYS, BUT IN
17 FACT THERE'S CERTAINLY PRECEDENT FOR THAT TYPE OF
18 DRUG DEVELOPMENT.

19 LET'S SEE. THE REVIEWERS WERE SOMEWHAT
20 CONCERNED ABOUT THE ABSENCE OF INFORMATION REGARDING
21 THE DRUG TARGET AND THE MECHANISM OF ACTION BECAUSE
22 THAT DOES MAKE IT SOMEWHAT MORE COMPLICATED TO
23 DEVELOP THE DRUG WITHOUT UNDERSTANDING EXACTLY WHAT
24 THE TARGET IS.

25 SO I THINK ONE OF THE MAJOR CRITICISMS WAS

BARRISTERS' REPORTING SERVICE

1 THAT IN SMALL MOLECULE DRUG DEVELOPMENT UNACCEPTABLE
2 TOXICITY IS A MAJOR REASON FOR FAILURE. AND SO THEY
3 FELT THAT IT WOULD MAKE SENSE TO PRIORITIZE, IF THIS
4 AWARD WERE FUNDED, EVALUATING THE TOXICITY IN ANIMAL
5 MODELS INSTEAD OF FOCUSING ON MECHANISM OF ACTION
6 STUDIES.

7 THEY FELT THAT THE PLANNED ACTIVITIES,
8 HOWEVER, COULD LEAD TO A ROBUST PACKAGE FOR A
9 PRE-IND MEETING AND FOUND THAT THE PRECLINICAL
10 DEVELOPMENT PLAN WAS FEASIBLE.

11 WITH RESPECT TO THE PI AND DEVELOPMENT
12 TEAM, THERE WAS SOME CONCERN THAT THERE WAS SOME
13 LACK OF DRUG DEVELOPMENT EXPERIENCE IN REGULATORY
14 AND CMC EXPERTISE AND FELT THAT WAS A SIGNIFICANT
15 WEAKNESS THAT SHOULD BE ADDRESSED. BUT ALSO AT THE
16 SAME TIME NOTICED THAT THE PI IS A VERY WELL
17 ESTABLISHED AND ACCOMPLISHED INVESTIGATOR AND HAS
18 ASSEMBLED A STRONG TEAM OF SCIENTISTS.

19 MR. SHEEHY: SO ARE THERE QUESTIONS,
20 COMMENTS ANY BOARD MEMBER WOULD LIKE TO SPEAK TO
21 THIS? ANY QUESTIONS FOR CIRM TEAM MEMBERS?

22 DR. PRIETO: I DON'T KNOW IF WE WANT TO
23 GET THIS INTO THE WEEDS ABOUT THE SCORING, BUT CAN I
24 ASK HOW MANY REVIEWERS SCORED THIS BELOW THE
25 FUNDABLE RANGE AND HOW MANY IN THE FUNDABLE RANGE?

BARRISTERS' REPORTING SERVICE

1 MR. SHEEHY: IF YOU LOOK AT THE CHART IN
2 FRONT OF YOU, YOU GET TIER I SCORES AND TIER II
3 SCORES.

4 DR. PRIETO: I SEE. I'M SORRY.

5 DR. KADYK: SO EIGHT SCORED IN TIER I AND
6 THEN SEVEN SCORED IN EITHER TIER II OR TIER III.

7 MR. SHEEHY: IS THERE ADDITIONAL
8 DISCUSSION? IS THERE PUBLIC COMMENT ON THIS
9 APPLICATION? WE DID HEAR FROM FOLKS A FEW MINUTES
10 AGO.

11 I THINK THE NEXT STEP IS TO MOVE TO A ROLL
12 CALL IF THERE'S NO PUBLIC COMMENT.

13 DR. PRIETO: OR BOARD COMMENT.

14 MR. SHEEHY: OR BOARD COMMENT.

15 MR. TORRES: YOU HAVE TO ADDRESS THE MIC.
16 OTHERWISE YOUR COMMENTS WILL NOT BE RECORDED.

17 MR. SHEEHY: AND, AGAIN, PLEASE INTRODUCE
18 YOURSELF.

19 DR. SCHUBERT: I'M DAVE SCHUBERT. I'M THE
20 PI OF THE GRANT THAT WAS JUST DISCUSSED. AND ONE OF
21 THE -- I WAS REQUESTED NOT TO PUT ANYTHING IN THE
22 APPEAL LETTER THAT I WROTE ABOUT THE SCIENTIFIC
23 REVIEW PROCESS ITSELF. AND SO THAT WAS NOT DELETED,
24 BUT I CAN MAKE SOME COMMENT ABOUT SOMETHING THAT WAS
25 JUST MENTIONED IN THE CONTEXT OF DISCOVERY.

BARRISTERS' REPORTING SERVICE

1 WE HAVE A DRUG NOW WHICH IS ACTUALLY JUST
2 FINISHING THE IND PROCESS. AND WE HAVE A TEAM OF
3 CONSULTANTS AND WE HAVE PEOPLE WE WORK WITH AS FAR
4 AS ALL THE CLINICAL DEVELOPMENT.

5 AND WITHIN THE GRANT APPLICATION ITSELF, I
6 SHOULD MENTION THIS APPLICATION IS A VERY, VERY
7 DIFFICULT FORM TO DEAL WITH. I MEAN THE GRANTS
8 PEOPLE HAVE A HORRIBLE TIME WITH THIS, BUT THAT'S
9 BESIDE THE POINT. BUT WITHIN THE GRANT APPLICATION,
10 THERE WAS A VERY DETAILED CLINICAL DEVELOPMENT PHASE
11 I DESCRIPTION OF THE TRIAL TO IND PROCESS. AND FOR
12 SMALL MOLECULES, THE FDA DOES NOT REQUIRE, IN FACT,
13 THEY DISCOURAGE AND DO NOT ALLOW IN MOST CASES A
14 PRECLINICAL MEETING WITH THE FDA. SO THAT WAS AN
15 ASSUMPTION.

16 THIS IS DIFFERENT WITH STEM CELL-BASED
17 THERAPIES, BUT WITH SMALL MOLECULES, IF IT'S A
18 STANDARD MOLECULE THERAPY, THE FDA DOESN'T REQUIRE
19 THAT. SO THAT SHOULD NOT BE CONSIDERED AS A WEAK
20 POINT.

21 MR. SHEEHY: THANK YOU.

22 DR. HELMS: CAN I MAKE A COMMENT ABOUT
23 THIS PROCESS. JILL HELMS, STANFORD. WE'VE HEARD
24 ABOUT THE VAGARIES OF THE SCORING, AND I THINK THAT
25 YOU'RE ALL AWARE OF THAT AS VOTING MEMBERS. AND

BARRISTERS' REPORTING SERVICE

1 WE'VE ALSO HEARD FROM THE PRESIDENT THAT CIRM 2.0 IS
2 GOING TO TRY TO CORRECT THESE. BUT TO TELL YOU
3 STANDING HERE I HAD TO WORK UNDER THE RFA I WAS
4 GIVEN. I TOTALLY BELIEVE IN RAISING THE BAR, BUT I
5 DON'T THINK YOU CAN MOVE THE GOALPOST. IF YOU ARE
6 GOING TO USE THE GOALPOST OF 2.0, APPLY THEM HERE
7 NOW TO THESE GRANTS.

8 MR. SHEEHY: THANK YOU. I THINK IN SOME
9 WAY THAT'S BEEN THE STAFF RECOMMENDATION WHICH IS
10 FOR THOSE GRANTS IN TIER II, WE'RE GOING TO HAVE A
11 THREE-POINT SCORING SYSTEM. ONE, FUND; TWO, RETURN,
12 LOOKING AT THE RECOMMENDATIONS FROM THE WORKING
13 GROUP AND FIX ACCORDING TO THOSE RECOMMENDATIONS;
14 AND, THREE, WE DON'T THINK THAT THIS IS A GRANT THAT
15 WILL HAVE SUCCESS AT CIRM. SO THAT'S KIND OF WHAT
16 THE STAFF HAS RECOMMENDED, THAT WE FUND TIER I,
17 WHICH WOULD BE EQUIVALENT TO ONE IN THE NEW SYSTEM,
18 AND IN TIER II, THAT INDIVIDUALS TAKE THE COMMENTS
19 THAT WERE MADE BY THE REVIEWERS, RETOOL THEIR GRANTS
20 TO MAKE THEM BETTER GRANTS, AND RETURN AT THE LATEST
21 IN SIX MONTHS WHEN WE HAVE THE CONCEPT OUT FOR OUR
22 TRANSLATIONAL PROGRAM. OR IF YOU'RE LATER DOWN THE
23 ROAD, YOU CAN RETURN TO APPLY TO CIRM WITHIN THE
24 NEXT COUPLE OF MONTHS.

25 SO I ACTUALLY THINK THAT THAT'S WHAT STAFF

BARRISTERS' REPORTING SERVICE

1 WAS RECOMMENDING. ANYWAY, TO GO TO WHERE WE ARE, IF
2 THERE'S NO MORE PUBLIC COMMENT, I THINK WE'RE READY
3 TO CALL THE ROLL.

4 DR. JUELSGAARD: SO TO SPEAK TO THAT
5 LATTER POINT THAT YOU JUST MADE, JEFF, AND I WANT TO
6 ASK RANDY OR GIL OR WHOEVER. SO IF WE SAID TO ALL
7 THE TIER II PEOPLE WHAT WE WOULD RECOMMEND YOU DO IS
8 JUST RESUBMIT UNDER A NEW AND DIFFERENT PROCESS, HOW
9 QUICKLY COULD THAT HAPPEN IN YOUR MIND FOR ANY OF
10 THESE INDIVIDUAL PROJECTS THAT HAVE -- YOU CAN
11 COMMENT LATER, BUT I'M SPEAKING WITH OUR PEOPLE
12 FIRST. SO HOW LONG WOULD THAT TAKE IN YOUR
13 ESTIMATION?

14 DR. MILLS: I'M NOT GOING TO COMMENT AND
15 SAY ANY SPECIFIC APPLICATION BECAUSE I HAD A
16 CONFLICT WITH ONE OF THE APPLICATIONS. BUT IN
17 GENERAL TERMS, IF THEY WERE RESPONSIVE TODAY TO
18 15-01, WHICH IS AT AN ADVANCED STAGE, BUT IT
19 APPEARED THAT SOME OF THE APPLICATIONS WERE THERE OR
20 VERY CLOSE TO THERE, THEN THEY CAN APPLY TODAY.
21 THEY WOULD BE REVIEWED -- LITERALLY THEY WOULD HAVE
22 THE GWG RECOMMENDATION IN 60 DAYS AND AN AWARD
23 DECISION IN 81 DAYS, SO VERY, VERY QUICKLY.

24 IF THEY WERE NOT, THEN THEY WOULD HAVE TO
25 WAIT FOR THE CONCEPT PLAN AND THE RFA'S COMES OUT

BARRISTERS' REPORTING SERVICE

1 WHICH GO TO THE BOARD MEETING IN JULY.

2 DR. JUELSGAARD: OKAY.

3 MR. SHEEHY: COULD I JUST ASK ONE QUESTION
4 ABOUT THE PROCESS? AND I'M NOT SURE. WOULD THEY BE
5 FUNDED ACTUALLY FASTER UNDER 2.0 BECAUSE WE'VE
6 STREAMLINED THE FUNDING PROCESS TO SUCH A DEGREE
7 THAT YOU MIGHT ACTUALLY RECEIVE YOUR FUNDS FASTER
8 UNDER THE FRAMEWORK OF 2.0 THAN THE PROCESSES WE'RE
9 DEPLOYING RIGHT NOW UNDER 1.0?

10 DR. MILLS: SO YOU WOULD HAVE TO BE ABLE
11 TO GET YOUR APPLICATION IN IMMEDIATELY FOR THIS
12 MONTH'S FUNDING CYCLE. AND THEN IT WOULD PROBABLY
13 BE CLOSE BECAUSE HISTORICALLY CONTRACTING AND
14 AWARDING HAS TAKEN ABOUT, IF YOU JUST LOOK AT THE
15 AVERAGE, IT'S BEEN ABOUT SEVEN MONTHS UNDER THE
16 CURRENT PROCESS. BUT IF YOU CAN CONTRACT MORE
17 EFFICIENTLY, THEN ANSWER WOULD BE NO. IT WOULD BE
18 FASTER THIS WAY. YOU COULDN'T GET IT CONTRACTED
19 QUICKLY, THEN IT THEORETICALLY COULD BE, BUT ONLY
20 FOR THOSE APPLICATIONS THAT ARE READY TO GO IN THE
21 LATER STAGE.

22 MR. SHEEHY: THANK YOU.

23 DR. HELMS: JILL HELMS FROM STANFORD.
24 WITH REGARDS TO APPLYING FOR CIRM 2.0, A
25 PREREQUISITE FOR THE EXISTING PROGRAM IS THAT YOU

BARRISTERS' REPORTING SERVICE

1 HAVE HAD A PRE-IND MEETING. WE HAVE NOT. THE
2 PROGRAM THAT YOU TALK ABOUT COMING DOWN THE
3 PIPELINE, IT'S NOT YET ON THE WEBSITE. SO LET'S SAY
4 EARLIEST IT BECOMES AVAILABLE IN JULY. WE'VE DONE
5 THE CALCULATIONS. THAT'S THE ONLY PROGRAM WE CAN
6 APPLY TO. IF YOU DON'T FUND US NOW, THAT'S TEN
7 MONTHS AT THE MINIMUM, AND IT'S TO APPLY FOR A
8 PROGRAM THAT IS STILL IN THE PROCESS, AS WE'VE HEARD
9 FROM THE PRESIDENT, OF BEING DEVELOPED. SO THAT
10 MEANS THE TEAM DISINTEGRATES. WORK STOPS. THAT'S
11 WHAT I MEAN WHEN I SAID HIT THE PAUSE BUTTON.

12 MR. SHEEHY: THANK YOU.

13 DR. SCHUBERT: THIS IS DAVE SCHUBERT FROM
14 THE SALK INSTITUTE. I SAID THIS BEFORE, I BELIEVE,
15 BUT WE HAVE BEEN THROUGH THIS PROCESS BEFORE. AND I
16 CAN ASSURE YOU THAT FOR SMALL MOLECULE DRUG
17 DEVELOPMENT, IF YOU LOOK AT THE FDA WEBSITE FOR THE
18 GUIDANCE TO INDUSTRY FOR SMALL MOLECULES, THEY WILL
19 SAY THAT A PRE-IND MEETING IS NOT ALLOWED IN MOST
20 CASES. AND SO THIS IS A REQUIREMENT FOR THIS CIRM
21 2.0, AND I THINK THAT ALSO WOULD STOP US FROM
22 APPLYING FOR THAT.

23 AND THE OTHER ASPECT, WHICH SHOULD BE
24 POINTED OUT TO THE MEMBERS OF THIS PANEL IS THAT FOR
25 THE IND PROCESS ITSELF, IT HAS TO BE DONE IN AN FDA

BARRISTERS' REPORTING SERVICE

1 APPROVED FACILITY BY CRO'S. AND SO AS A CONSEQUENCE
2 THERE'S NO LAB FUNDING FOR THAT. SO ONCE THE
3 PROJECT GOES INTO THE CRO'S GROUP THAT'S DOING THE
4 IND, THE LAB FUNDING BASICALLY IS ELIMINATED.

5 SO THIS IS ANOTHER PROBLEM THAT ACADEMIC
6 SCIENTISTS FACE. WE HAVE TO MAINTAIN SOME COHERENCE
7 IN OUR PROGRAM. AND IN MY CASE PARTICULARLY, IT WAS
8 WE THOUGHT THERE WAS A SEQUENCE OF GRANTS THAT WAS
9 DETERMINED BEFORE WE APPLIED FOR THE INITIAL GRANT,
10 AND SO IT'S A DIFFICULT PROBLEM.

11 MR. SHEEHY: THANK YOU.

12 DR. MILLS: I WANT TO CLARIFY SOMETHING
13 THAT'S JUST FACTUALLY INCORRECT. SO WE RECOGNIZE AT
14 CIRM THAT CERTAIN CATEGORIES OF DRUGS EITHER DO NOT
15 REQUIRE OR IN SOME INSTANCES ARE NOT EVEN ABLE TO
16 OBTAIN A PRE-IND MEETING WITH THE FDA. PRE-IND
17 MEETING IS NOT A REQUIREMENT IF YOUR PRODUCT IS NOT
18 A BIOLOGIC WHERE A PRE-IND MEETING WOULD BE
19 NECESSARY. SO IT'S NOT A REQUIREMENT UNDER CIRM 2.0
20 TO HAVE A PRE-IND MEETING IF YOU HAVE A THERAPEUTIC
21 CANDIDATE THAT DOES NOT REQUIRE ONE.

22 MR. REED: THIS IS JUST A QUICK STRUCTURAL
23 QUESTION. THE ROLL CALL THAT YOU'RE JUST ABOUT TO
24 TAKE, AND THIS IS JUST ON THE ONE PROJECT, RIGHT?

25 MR. SHEEHY: YES.

BARRISTERS' REPORTING SERVICE

1 MR. REED: NOT ON THE WHOLE BLOCK?

2 MR. SHEEHY: JUST ON THIS ONE PROJECT.

3 CHAIRMAN THOMAS: SO JUST WANT TO REMIND
4 THE BOARD THE CRITICAL REASON FOR HAVING 2.0 IS WE
5 HAVE PROJECTS THAT UP TO THIS POINT AND INCLUDING
6 THIS ROUND FALL INTO TIER II WHICH MEANS THEY DO
7 HAVE SOME CONSIDERABLE PROMISE, BUT THEY ALSO HAVE
8 ISSUES. AND THE REASON TO HAVE 2.0 IN PLACE AND A
9 FREQUENT OPPORTUNITY TO REAPPLY IS TO ACTUALLY
10 REFINE GOOD PROJECTS TO HOPEFULLY MAKE THEM GREAT
11 AND GIVE THEM ULTIMATELY A BETTER CHANCE OF SUCCESS
12 THAN THEY MIGHT OTHERWISE HAVE IF THEY STILL HAVE
13 FLAWS IN THEM AS PERCEIVED BY OUR PEER REVIEWERS.

14 SO I THINK WE ALL ARE INTERESTED IN
15 GETTING THERAPIES THROUGH TO PATIENTS AS BEST WE
16 CAN; BUT TO GIVE US THE BEST SHOT AT DOING THAT,
17 WE'D LIKE THE PROJECTS TO BE REFINED TO A STAGE
18 WHERE THEY ACTUALLY HAVE THE GREATEST OPPORTUNITY
19 FOR SUCCESS. THAT'S THE ESSENCE OF 2.0. DR. MILLS,
20 AM I CORRECT ON THAT STATEMENT?

21 DR. MILLS: EXACTLY.

22 MR. SHEEHY: SO ANY MORE BOARD -- SENATOR
23 TORRES.

24 MR. TORRES: THANK YOU FOR CHAIRING THIS
25 INITIAL SESSION. WE'RE FINDING OUT HOW WE'RE

BARRISTERS' REPORTING SERVICE

1 DEALING WITH THIS PROCESS. SO I NO LONGER HAVE A
2 CONFLICT, BECAUSE MY SURGERY IS OVER, ON
3 OSTEOARTHRITIS, BUT I AM CONCERNED ABOUT THE FUTURE
4 WITH MY AGE GROUP, WHICH WE ARE CHRONOLOGICALLY
5 GIFTED, AND WE ARE INCREASING IN NUMBERS.

6 MR. JUELSGAARD: I THOUGHT WE WERE TALKING
7 ABOUT ALZHEIMER'S.

8 MR. TORRES: I'M SORRY. I THOUGHT WE
9 VOTED. WE HAVEN'T VOTED YET. WELL, LET'S GET TO
10 IT. CALL THE QUESTION.

11 MR. SHEEHY: I WAS HEADED THAT DIRECTION.
12 OKAY. COULD WE CALL THE ROLL, PLEASE.

13 MS. BONNEVILLE: ANNE-MARIE DULIEGE.

14 DR. DULIEGE: NO.

15 MS. BONNEVILLE: DAVID HIGGINS.

16 DR. HIGGINS: CAN YOU CLARIFY EXACTLY WHAT
17 A YES VOTE AND A NO VOTE IS?

18 MR. SHEEHY: A YES VOTE WOULD BE TO MOVE
19 THIS APPLICATION INTO TIER I AND FUND IT. A NO VOTE
20 WOULD BE TO LEAVE IT WHERE IT IS.

21 DR. HIGGINS: GOT YOU. YES.

22 MS. BONNEVILLE: STEPHEN JUELSGAARD.

23 MR. JUELSGAARD: YES.

24 MS. BONNEVILLE: KATHY LAPORTE.

25 DR. LAPORTE: YES.

BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: LAUREN MILLER.
2 MS. MILLER: YES.
3 MS. BONNEVILLE: FRANCISCO PRIETO.
4 DR. PRIETO: AYE.
5 MS. BONNEVILLE: ROBERT QUINT.
6 DR. QUINT: YES.
7 MS. BONNEVILLE: AL ROWLETT.
8 MR. ROWLETT: YES.
9 MS. BONNEVILLE: JEFF SHEEHY.
10 MR. SHEEHY: ABSTAIN.
11 MS. BONNEVILLE: JONATHAN THOMAS.
12 CHAIRMAN THOMAS: YES.
13 MS. BONNEVILLE: ART TORRES.
14 MR. TORRES: AYE.
15 MS. BONNEVILLE: DIANE WINOKUR.
16 MS. WINOKUR: I ABSTAIN.
17 MS. BONNEVILLE: MOTION CARRIES.
18 MR. SHEEHY: OKAY. THANK YOU. SO THE
19 NEXT -- ARE THERE ADDITIONAL MOTIONS OR ANY MOTIONS
20 TOWARDS ANOTHER APPLICATION?
21 MR. TORRES: YES. A POINT OF INFORMATION
22 TO THE PRESIDENT. MR. PRESIDENT, HOW ARE YOU? WHAT
23 HAPPENS IF WE DO NOT MOVE AN ITEM, AND I'M
24 SPECIFICALLY LOOKING AT PC1-08128, TO THE FIRST
25 TIER? WHAT'S THE STATUS OF THAT PROJECT THEN AT

BARRISTERS' REPORTING SERVICE

1 THIS POINT UNDER 2.0?

2 DR. MILLS: IT'S NOT UNDER 2.0.

3 MR. TORRES: SO REAPPLICATION WOULD HAVE
4 TO OCCUR?

5 DR. MILLS: YES, ABSOLUTELY.

6 MR. TORRES: MR. CHAIRMAN, I MOVE THAT WE
7 MOVE FROM TIER II TO TIER I PC1-08128.

8 DR. JUELSGAARD: I SECOND THE MOTION.

9 MR. SHEEHY: MOTION BY SENATOR TORRES,
10 SECOND BY MR. JUELSGAARD. COULD WE HEAR FROM CIRM
11 TEAM ABOUT THIS APPLICATION?

12 DR. KADYK: THIS IS PC1-08128. THIS IS A
13 PROJECT THAT AIMS TO DEVELOP A NOVEL CELL-BASED
14 THERAPY FOR REPAIR OF CARTILAGE DEFECTS, AS WE HAVE
15 HEARD, CAUSED BY TRAUMA OR DISEASE.

16 THE PROPOSED APPROACH WOULD COMBINE
17 ALLOGENEIC EMBRYONIC STEM CELL-DERIVED CARDIAC
18 PROGENITOR CELLS THAT HAVE THE ABILITY TO
19 DIFFERENTIATE AND DEVELOP INTO MATURE CARTILAGE WITH
20 A SCAFFOLDING MATERIAL WHICH IS THEN FACILITATING
21 TISSUE REPAIR. THIS CELL SCAFFOLD COMBINATION
22 PRODUCT WOULD BE SURGICALLY IMPLANTED TO A CARTILAGE
23 DEFECT.

24 THE PROPOSED ACTIVITIES INCLUDE MAKING AND
25 TESTING GOOD MANUFACTURING PRACTICES COMPLIANT

BARRISTERS' REPORTING SERVICE

1 MASTER AND WORKING CELL BANKS, TECHNOLOGY TRANSFER,
2 SCALE-UP, PRODUCTION AND CHARACTERIZATION OF GMP
3 PRODUCT CANDIDATE, DOSE FINDING, AND PILOT
4 PRECLINICAL STUDIES IN ORDER TO REACH THE OVERALL
5 OBJECTIVE OF CONDUCTING WELL-SUPPORTED PRE-IND
6 MEETING WITH THE FDA.

7 SO DURING THE REVIEW, UNDER SIGNIFICANCE,
8 THE REVIEWERS HAD SOMEWHAT MIXED OPINIONS AS TO THE
9 LEVEL WHICH THIS WAS AN UNMET NEED. SOME FELT IT
10 WAS ONLY A MODERATE UNMET NEED WHERE OTHERS THOUGHT
11 IT WAS A VERY CLEAR UNMET NEED AND THAT THERE WAS A
12 COMMERCIAL OPPORTUNITY IN THIS TARGETED SUBGROUP OF
13 YOUNGER PATIENTS IN PARTICULAR BECAUSE THERE'S
14 VARIABLE REPORTS OF THE EFFECTIVENESS AND DURABILITY
15 OF CURRENTLY AVAILABLE THERAPIES. SO FOR A YOUNGER
16 PATIENT, DURABILITY IS PARTICULARLY IMPORTANT.

17 REVIEWERS COMMENTED THAT THE CARTILAGE
18 REPAIR FIELD IS COMPETITIVE WITH SOME OTHER
19 THERAPEUTIC OPTIONS THAT ARE ALREADY AVAILABLE OR IN
20 DEVELOPMENT, INCLUDING SOME CELL THERAPIES.
21 HOWEVER, SOME REVIEWERS DID BELIEVE THERE'S ROOM FOR
22 A NEW TREATMENT OPTION AND FELT THAT THIS PROPOSED
23 CELL SCAFFOLD COMBINATION HAD SOME FEATURES THAT
24 DIFFERENTIATES IT FROM OTHER PROPOSED OR OTHER
25 PROCEDURES THAT ARE IN DEVELOPMENT AND HAS THE

BARRISTERS' REPORTING SERVICE

1 POTENTIAL TO BE AN OFF-THE-SHELF PRODUCT AND WOULD
2 HAVE AVAILABLE A CONSISTENT PROGENITOR CELL
3 POPULATION AND A NOVEL SCAFFOLD THAT COULD
4 CONTRIBUTE TO PRODUCT SAFETY AND ACTIVITY.

5 THE REVIEWERS DID NOTE THE RELATIVELY
6 SHORT HALF-LIFE OF THE CURRENT PRODUCT AND JUST
7 ENCOURAGED THEM TO DEVELOP A FROZEN FORMULATION
8 FURTHER DOWN THE ROAD SINCE THAT STABILITY AND SHELF
9 LIFE AS IT CURRENTLY EXISTS MIGHT LIMIT WIDESPREAD
10 USE. SO THEY MADE THAT SUGGESTION.

11 IN TERMS OF SCIENTIFIC RATIONALE AND
12 PRECLINICAL DEVELOPMENT READINESS, THEY FELT THAT
13 THE PRELIMINARY DATA WERE DEFINITELY SUPPORTIVE OF
14 PRECLINICAL DEVELOPMENT READINESS. AND, IN FACT,
15 SOME REVIEWERS FELT THAT THE PRODUCT CANDIDATE IS
16 CLOSE TO THE STAGE WHERE THEY'D BE ABLE TO HOLD A
17 PRE-IND MEETING, AND THEY MAY BE ABLE TO SHORTEN THE
18 TERM OF THE AWARD IF THEY WERE TO RECEIVE IT.

19 WHILE THE RATIONALE WAS VIEWED AS SOUND,
20 SOME REVIEWERS FELT THAT THE PRELIMINARY DATA COULD
21 HAVE BEEN MORE COMPELLING IF THEY HAD DEMONSTRATED A
22 STATISTICALLY SIGNIFICANT DIFFERENCE BETWEEN THEIR
23 APPROACH AND COMPETING TECHNOLOGIES.

24 FOR DESIGN AND FEASIBILITY, REVIEWERS
25 FOUND THAT THE PROPOSED STUDIES WERE WELL DESIGNED

BARRISTERS' REPORTING SERVICE

1 AND FEASIBLE AND HAD ALL NECESSARY TECHNIQUES IN
2 PLACE. ALTHOUGH THEY DID COMMENT THAT THERE WERE
3 SOME POSSIBLE OPPORTUNITIES TO STREAMLINE THE PLAN.
4 AND SOME OF THE PROPOSED PRECLINICAL STUDIES COULD
5 BE COMBINED AND PERHAPS MORE APPROPRIATELY CONDUCTED
6 AFTER THE PRE-IND MEETING.

7 THEY DID SUGGEST THAT IT WOULD BE
8 IMPORTANT TO SEEK OUT EXPERT REGULATORY INPUT TO
9 IDENTIFY THE CRITICAL PATH ACTIVITIES NEEDED TO GET
10 TO THE PRE-IND MEETING UNDER THIS AWARD.

11 REVIEWERS COMMENTED ON THE IMPORTANCE OF
12 HAVING AN ACCEPTABLE RISK PROFILE FOR THIS
13 PARTICULAR PRODUCT BECAUSE IT IS AN EMBRYONIC STEM
14 CELL-DERIVED PRODUCT.

15 THEY SUGGESTED THAT USING A SINGLE MARKER
16 TO TEST FOR UNDIFFERENTIATED STEM CELLS MIGHT NOT BE
17 SUFFICIENT AND THAT ADDITIONAL MARKERS SHOULD ALSO
18 BE EXPLORED.

19 REVIEWERS WERE SUPPORTIVE OF THE
20 ALLOGENEIC STEM CELL SOURCE WITH THE CUSTOM SCAFFOLD
21 AS AN OFF-THE-SHELF PRODUCT, BUT THEY WEREN'T AS
22 CLEAR TO WHETHER THE PROPOSED THERAPY WAS GOING TO
23 BE COMPARED AGAINST THE CURRENT SURGICAL STANDARD OF
24 CARE WHICH IS MICROFRACTURE. AND THEY FELT THAT
25 DIRECT COMPARISON SHOULD BE MADE.

BARRISTERS' REPORTING SERVICE

1 THE PROPOSED TIMELINES FOR THE PRE-IND
2 MEETING WERE APPROPRIATE, AND, AS I MENTIONED
3 BEFORE, COULD POTENTIALLY EVEN BE ACCELERATED.

4 THEY FELT IN TERMS OF THE TEAM AND THE PI,
5 THE TEAM IS EXCELLENT AND HAS STRONG EXPERTISE IN
6 CARTILAGE DEVELOPMENT, AND REVIEWERS WERE VERY
7 APPRECIATIVE OF THE PLANNED ADDITION OF A SECOND
8 PROJECT MANAGER THAT IS CURRENTLY BEING SOUGHT.

9 THEY, AGAIN, AS I MENTIONED EARLIER, THE
10 TEAM COULD USE SOME ADDITIONAL EXPERTISE IN
11 REGULATORY AFFAIRS TO HELP DEFINE THE CRITICAL PATH
12 ACTIVITIES. AND THERE WERE NO CONCERNS ABOUT THEIR
13 COLLABORATIONS, ASSETS, RESOURCES, AND ENVIRONMENT.

14 MR. SHEEHY: OTHER QUESTIONS OR DISCUSSION
15 BY BOARD MEMBERS?

16 DR. JUELSGAARD: SO ONE OF THE THINGS
17 STRUCK ME, SOME OF THE CRITICISM OF THIS PARTICULAR
18 APPLICATION WAS THAT IT SEEMED AS IF THE REVIEWERS
19 FELT THAT THERE WERE ALTERNATIVE THERAPIES AVAILABLE
20 AND, THEREFORE, THERE WAS A STANDARD OF CARE. AND
21 THE QUESTION WAS HOW DID THIS RELATE TO THE STANDARD
22 OF CARE. AND THAT THERE WEREN'T STUDIES DONE TO
23 SHOW THE SUPERIORITY OF THIS PARTICULAR TYPE OF
24 TREATMENT, THE SUPERIORITY POTENTIAL AGAINST
25 STANDARD OF CARE.

BARRISTERS' REPORTING SERVICE

1 FIRST OF ALL, I THINK THAT'S A
2 PROGRAMMATIC ISSUE MORE THAN ANYTHING. ARE WE GOING
3 TO FUND SOMETHING WHERE WE THINK THERE'S ALREADY A
4 LOT OF STUFF GOING ON OUT THERE IN OTHER AREAS. I
5 APPRECIATE THEIR VIEWS, BUT I THINK THAT THAT'S
6 REALLY SOMETHING WE NEED TO CONSIDER.

7 ABOVE AND BEYOND THAT, THERE'S ALWAYS THE
8 QUESTION OF WHETHER YOU NEED SUPERIORITY OR
9 NONINFERIORITY, SO THE TWO DIFFERENT STANDARDS THAT
10 ARE USED FOR FDA APPROVAL. NONINFERIORITY MEANS
11 THAT YOU HAVE TO PROVE THAT, IN ESSENCE, YOU'RE NOT
12 INFERIOR TO AN EXISTING STANDARD OF TREATMENT. SO
13 WHY WOULD PEOPLE DO THAT? WHY ARE THERE SOMETIMES
14 NONINFERIORITY STANDARDS USED THAT ARE, AT THE END
15 OF THE DAY, APPROVED? AND ONE OF THE REASONS IS
16 THAT THE PRODUCT IS SAFER OR THAT THE PRODUCT IS
17 EASIER TO ADMINISTER AND CREATES LESS TREATMENT DOWN
18 THE ROAD, HOSPITALIZATION, ETC.

19 AND ONE THING THE FDA DOES NOT TAKE INTO
20 ACCOUNT, BUT I THINK FOR US IS SOMETHING THAT WE
21 HAVE TO THINK ABOUT, IS COST. IF WE HAVE A
22 TREATMENT THAT POTENTIALLY COULD BE GIVEN IN THE
23 FACE OF EXISTING TREATMENTS BUT IS SUBSTANTIALLY
24 LESS IN COST, THEN I THINK NONINFERIORITY IS AN
25 ACCEPTABLE STANDARD.

BARRISTERS' REPORTING SERVICE

1 SO I JUST -- I DON'T KNOW THAT WE KNOW
2 ENOUGH AT THIS POINT ABOUT, WELL, THERE'S JUST
3 PLENTY OF OTHER STUFF OUT THERE, SO WE REALLY
4 SHOULDN'T CONSIDER THIS, IF WE ARE REALLY AT THAT
5 POINT WHERE THAT DECISION COULD BE MADE. SO TO THE
6 EXTENT THAT THOSE CRITICISMS WERE LEVELED AT THIS
7 APPLICATION, I, FOR ONE, TEND TO, I GUESS, TEND TO
8 NOT TAKE THEM TOO SERIOUSLY IN MY OWN MIND. THAT'S
9 OBVIOUSLY OPINIONS OF OTHER PEOPLE, BUT I THINK WE
10 NEED MORE INFORMATION BEFORE WE CAN FIGURE OUT
11 WHETHER THIS IS A BETTER THERAPY OR SIMPLY A MORE
12 USEFUL THERAPY THAN WHAT ALREADY EXISTS.

13 MR. SHEEHY: SO CAN I JUST ASK ARE YOU
14 ARGUING IN FAVOR?

15 DR. JUELSGAARD: YES, I'M ARGUING IN
16 FAVOR.

17 MR. TORRES: WAIT A MINUTE. HE WAS MY
18 SECOND.

19 DR. JUELSGAARD: NO. I'M ARGUING IN
20 FAVOR. I THINK THERE'S A LOT MORE WORK THAT NEEDS
21 TO BE DONE BEFORE YOU CAN GET TO THE POINT OF
22 SAYING, WELL, WAIT A MINUTE. YOU CAN ALWAYS REPLACE
23 A KNEE USING HARDWARE, RIGHT? AND THAT'S JUST AS
24 GOOD OR BETTER THAN WHAT YOU'RE TALKING ABOUT. I
25 DON'T THINK WE KNOW ENOUGH ABOUT THAT RIGHT NOW TO

BARRISTERS' REPORTING SERVICE

1 USE THAT AS A REALISTIC CRITERIA FOR SAYING THAT WE
2 SHOULDN'T FUND THIS.

3 MR. SHEEHY: ARE THERE OTHER QUESTIONS OR
4 COMMENTS FROM BOARD MEMBERS? ANY PUBLIC COMMENT?

5 DR. D'LIMA: DARRYL D'LIMA AGAIN. I'M THE
6 PI ON THE GRANT THAT'S BEING REVIEWED AT THE MOMENT.
7 AND I'D JUST LIKE TO MAKE A COMMENT ABOUT THE
8 CONCERNS ABOUT REGULATORY ISSUES. WE HAVE THREE
9 MEMBERS ON OUR LEADERSHIP TEAM WHO ARE ACTUALLY ON
10 THE FDA ADVISORY PANEL FOR CELL THERAPY AND GENE
11 THERAPY. WE HAVE CONTRACTED WITH AN INTERNATIONAL
12 COMPANY. IT'S IN THE APPLICATION. SO FOR A
13 REVIEWER TO SAY THAT WE NEED MORE REGULATORY SUPPORT
14 IS DISINGENUOUS.

15 THE CRITICISM ABOUT THE SINGLE MARKER,
16 THAT'S WHAT THE FDA RECOMMENDED. SO WE'RE USING
17 WHAT THE FDA HAS TOLD US TO PUT IN OUR PRE-PRE-IND
18 MEETING THAT THEY WOULD ACCEPT TODAY. THEY MIGHT
19 CHANGE THEIR MIND LATER, BUT THAT'S WHAT THEY WOULD
20 ACCEPT TODAY AS A MARKER OF LACK OF PLURIPOTENCY OR
21 LACK OF TERATOGENESIS.

22 TO THE POINT ABOUT ALTERNATIVE THERAPIES,
23 THEY MENTION MICROFRACTURE, WHICH IS A MARROW
24 STIMULATION PROCEDURE. THAT'S WHAT WE PUT IN OUR
25 PRECLINICAL. WE KNOW THAT WE HAVE TO DO BETTER THAN

BARRISTERS' REPORTING SERVICE

1 THE EXISTING CELL THERAPIES. WE KNOW THAT THE
2 EXISTING CELL THERAPIES DON'T WORK. THE PEOPLE WHO
3 KNOW WHAT THE UNMET NEEDS ARE ARE THE PATIENTS AND
4 THE PHYSICIANS WHO TREAT THEM. AND I THINK THAT THE
5 DATA THAT WE'VE SEEN TODAY IS VERY COMPELLING. AND
6 THE TESTING WE PROPOSED, WE'VE TESTED AGAINST ADULT
7 STEM CELLS, WE'VE TESTED AGAINST BONE MARROW STEM
8 CELLS, AND WE'VE TESTED AGAINST THE SO-CALLED
9 MICROFRACTURE, WHICH SOME CLAIM IS STANDARD OF CARE,
10 AND IT'S FAR BETTER THAN ALL THREE OF THOSE IN
11 ANIMALS. THANK YOU.

12 MR. SHEEHY: ANY OTHER PUBLIC COMMENT?
13 THEN, MS. BONNEVILLE, COULD YOU CALL THE ROLL,
14 PLEASE.

15 MS. BONNEVILLE: ANNE-MARIE DULIEGE.

16 DR. DULIEGE: YES.

17 MS. BONNEVILLE: STEPHEN JUELSGAARD.

18 MR. JUELSGAARD: YES.

19 MS. BONNEVILLE: KATHY LAPORTE.

20 DR. LAPORTE: YES.

21 MS. BONNEVILLE: LAUREN MILLER.

22 MS. MILLER: YES.

23 MS. BONNEVILLE: FRANCISCO PRIETO.

24 DR. PRIETO: ABSTAIN.

25 MS. BONNEVILLE: ROBERT QUINT.

BARRISTERS' REPORTING SERVICE

1 DR. QUINT: YES.
2 MS. BONNEVILLE: AL ROWLETT.
3 MR. ROWLETT: YES.
4 MS. BONNEVILLE: JEFF SHEEHY.
5 MR. SHEEHY: ABSTAIN.
6 MS. BONNEVILLE: JONATHAN THOMAS.
7 CHAIRMAN THOMAS: YES.
8 MS. BONNEVILLE: ART TORRES.
9 MR. TORRES: AYE.
10 MS. BONNEVILLE: DIANE WINOKUR.
11 MS. WINOKUR: YES.
12 MR. HARRISON: MOTION CARRIES.
13 MR. SHEEHY: DO WE HAVE ANY ADDITIONAL
14 MOTIONS? MR. JUELSGAARD.
15 DR. JUELSGAARD: YES. I MOVE THAT WE MOVE
16 APPLICATION PC1-08105 FROM TIER II TO TIER I.
17 MR. SHEEHY: DO WE HAVE A SECOND FOR THAT
18 MOTION?
19 MR. TORRES: SECOND.
20 MR. SHEEHY: DISCUSSION FROM STAFF, FROM
21 TEAM MEMBERS.
22 DR. KADYK: OKAY. THIS IS PC1-08105.
23 THIS APPLICATION SEEKS TO DEVELOP AN IMPROVED
24 THERAPY FOR BONE REGENERATION BY ENHANCING OR
25 RESTORING THE OSTEOGENIC POTENTIAL OF A PATIENT'S

BARRISTERS' REPORTING SERVICE

1 OWN STEM CELLS AS PART OF A SURGICAL BONE GRAFTING
2 TECHNIQUE CALLED AUTOGRAFTING. SO THE PROPOSED
3 DEVELOPMENT CANDIDATE WOULD COMPRISE BONE-DERIVED
4 CELLS THAT ARE HARVESTED FROM A PATIENT, TREATED EX
5 VIVO WITH A PROPRIETARY FORMULATION WNT3A, WHICH IS
6 A PROTEIN INVOLVED IN STEM CELL SELF-RENEWAL AND
7 TISSUE REGENERATION. AND THEN THOSE TREATED CELLS
8 WOULD THEN BE TRANSPLANTED INTO SITES REQUIRING BONE
9 REPAIR.

10 FOR THIS APPLICATION THE MAJOR PROJECT
11 ACTIVITIES INCLUDE COMPLETION OF PRECLINICAL
12 STUDIES, DETERMINING EFFECTIVE DOSE RANGE,
13 DEVELOPING AND VALIDATING APPROPRIATE MANUFACTURING
14 PROCESSES AND ASSAYS, SELECTING THE TARGET
15 INDICATION, AND DEVELOPING THE CLINICAL PLAN WITH
16 THE ULTIMATE GOAL OF CONDUCTING A WELL-PREPARED
17 PRE-IND MEETING.

18 SO UNDER SIGNIFICANCE AND IMPACT,
19 REVIEWERS FELT THAT THE TARGET PRODUCT PROFILE MIGHT
20 BE TOO BROAD AND SHOULD BE FOCUSED AROUND A SINGLE
21 INDICATION. HOWEVER, THEY ALSO STATED THAT, IF
22 SUCCESSFULLY DEVELOPED, THE PROPOSED APPROACH COULD
23 IMPROVE UPON THE STANDARD OF CARE, POTENTIALLY
24 EXTENDING THE USE OF AUTOGRAFT PROCEDURES IN OLDER
25 PATIENTS.

BARRISTERS' REPORTING SERVICE

1 THERE WAS SOME CONCERN ABOUT THE POTENTIAL
2 VARIABILITY OF AN AUTOGRAFT THAT WAS EXPRESSED BY
3 SOME OF THE REVIEWERS.

4 AND OF THE TWO LEAD INDICATIONS THAT WERE
5 MENTIONED IN THE DRAFT CLINICAL SYNOPSES, REVIEWERS
6 CONSIDERED THE OSTEONECROSIS OF THE HIP TO BE A MUCH
7 MORE COMPELLING UNMET NEED THAN THE SPINAL FUSION.

8 UNDER SCIENTIFIC RATIONALE AND PRECLINICAL
9 DEVELOPMENT READINESS, THEY FELT THAT THE RATIONALE
10 FOR EXPLOITING THE WNT3A PATHWAY IN BONE REPAIR WAS
11 VERY WELL SUPPORTED BY PRELIMINARY DATA AS WELL AS
12 BY THE FIELD IN GENERAL.

13 REVIEWERS BELIEVED THE DATA PRESENTED WERE
14 SUFFICIENT TO SUPPORT THE READINESS OF THE PROPOSED
15 CANDIDATE FOR PRECLINICAL DEVELOPMENT.

16 UNDER DESIGN AND FEASIBILITY, REVIEWERS
17 HAD SOMEWHAT MIXED VIEWS ABOUT THE OVERALL
18 FEASIBILITY DUE TO REGULATORY QUESTIONS AND HOW THE
19 FDA WOULD CLASSIFY AND REGULATE THE THERAPEUTIC
20 CANDIDATE. SOME BELIEVE THAT THAT COULD BE VERY
21 STRAIGHTFORWARD WHILE OTHERS FELT IT MIGHT BE
22 CHALLENGING. AND THE CONSENSUS WAS THAT EARLIER FDA
23 ENGAGEMENT AND ADVICE WOULD BE CRITICAL TO CLEARLY
24 ESTABLISH THE PATH FORWARD TO A PRE-IND AND IND
25 MEETING. SO THEY SHOULD CONSULT THE FDA AS SOON AS

BARRISTERS' REPORTING SERVICE

1 POSSIBLE.

2 THE REVIEWERS FELT THAT THE PROPOSED
3 STUDIES REQUIRE SOME REFINEMENT INCLUDING A FOCUS ON
4 A SINGLE INDICATION, WHICH IS, I THINK, MENTIONED
5 EARLIER. AND SO THEY SHOULD DISCUSS WITH THE FDA IN
6 HOW TO GET ALIGNMENT FOR A WELL-PREPARED PRE-IND
7 MEETING.

8 THE PROPOSAL ITSELF HAD VERY CLEAR
9 GO/NO-GO DECISION POINTS AND MILESTONES. THE
10 APPLICANTS DO HAVE EXTENSIVE EXPERIENCE WITH THE
11 PROPOSED ANIMAL MODELS AND SHOULD HAVE LITTLE
12 TROUBLE ACHIEVING THEIR TECHNICAL MILESTONES.

13 THE REVIEWERS FELT THAT THE PROPOSED
14 SURGICAL APPROACH IS ACHIEVABLE AND, HOWEVER, IT
15 COULD BE FURTHER STREAMLINED PERHAPS TO MINIMIZE THE
16 TIME SPENT UNDER ANESTHESIA. AND SO THIS WAS
17 SPECULATION THAT THEY FELT SHOULD BE DISCUSSED
18 FURTHER WITH INPUT FROM SURGEONS.

19 REVIEWERS COMMENTED THAT AN ALTERNATIVE TO
20 AN AUTOGRAFT, SUCH AS A SYNTHETIC CARRIER FOR WNT3A,
21 MIGHT ALLOW FOR MORE EXPERIMENTAL REPRODUCIBILITY
22 AND PRESENT AN EASIER REGULATORY PATH.

23 THE PI AND TEAM, THEY FELT -- THEY SAID
24 THE PI HAS LARGELY PIONEERED AND DEVELOPED THIS
25 PROPOSAL AND IS VERY DEDICATED TO ITS CLINICAL

BARRISTERS' REPORTING SERVICE

1 APPLICATION AND PLAYS AN IMPORTANT ROLE ON THE
2 INVESTIGATIVE TEAM. THEY DID SUGGEST THAT THE TEAM
3 WOULD BENEFIT FROM A QUALIFIED REGULATORY EXPERT WHO
4 WOULD WORK AS AN INTEGRAL PART OF THE TEAM.

5 THE PI HAS ASSEMBLED AN OUTSTANDING TEAM
6 OF COLLABORATORS WITH PREMIER EXPERTISE IN THE AREAS
7 OF BOTH WNT SIGNALING AND BONE BIOLOGY. AND THERE
8 WERE NO CONCERNS REGARDING THE ASSETS OR RESOURCES
9 AVAILABLE.

10 MR. SHEEHY: SO ARE THERE ANY QUESTIONS
11 FOR DR. KADYK?

12 MS. WINOKUR: I HAVE A COMMENT, NOT A
13 QUESTION. THERE ARE FIVE PROPOSALS IN TIER II, AND
14 WE ARE ABOUT TO VOTE ON MOVING THE THIRD ONE TO TIER
15 I. I AM UNCOMFORTABLE WITH CHANGING THAT MUCH OF
16 THE PEER REVIEW DECISIONS HERE TODAY.

17 DR. PRIETO: IF IT'S APPROPRIATE TO ASK,
18 SORT OF IN LIGHT OF DIANE'S COMMENT, GIL OR HIS TEAM
19 WHERE WE ARE ON THE BUDGET WITH THE TWO APPLICATIONS
20 THAT WE'VE ALREADY MOVED UP.

21 DR. SAMBRANO: CERTAINLY. SO I PUT UP ON
22 THE SCREEN, IT MAY BE VERY DIFFICULT TO SEE, WE'RE
23 AT 25.2 MILLION CURRENTLY.

24 DR. PRIETO: THAT'S WITH THE CHANGES?

25 DR. SAMBRANO: THAT'S WITH THE TWO THAT

BARRISTERS' REPORTING SERVICE

1 WERE ADDED.

2 MR. SHEEHY: WHAT WAS THE BUDGET FOR THIS
3 ROUND?

4 DR. SAMBRANO: IT WAS 40 MILLION.

5 DR. WESTON: I SHARE DIANE'S CONCERN. AND
6 I WONDER IF THERE'S AN ISSUE WITH THE INSTRUCTION,
7 MAYBE I DON'T UNDERSTAND, COMING FROM THE GRANTS
8 WORKING GROUP OR GIVEN TO THEM ABOUT WHAT SHOULD BE
9 FUNDED IF SO MANY DECISIONS ARE OVERTURNED HERE.

10 MR. SHEEHY: THANK YOU.

11 DR. LEVIN: I'M NOT SUPPOSED TO SPEAK ON
12 THIS. IT'S A POINT OF CLARIFICATION. TIER II IS
13 FUND IF FUNDS ARE AVAILABLE.

14 MR. SHEEHY: YOU CAN SPEAK TO THIS, I
15 THINK.

16 DR. LEVIN: THIS IS NOT OVERTURNING PEER
17 REVIEW. IT WAS THE CIRM STAFF RECOMMENDATION THAT
18 TIER II NOT BE FUNDED. BUT THE PEER REVIEW SAYS
19 FUND IF FUNDS ARE AVAILABLE, WHICH IS STILL
20 CONSISTENT WITH THE \$40 MILLION CAP.

21 DR. MILLS: THAT'S JUST WRONG. TIER II IS
22 IT WAS OF MODERATE QUALITY OR IT BIFURCATED AS IN
23 THERE WAS NO CONSENSUS. MEANING SOME PEOPLE --

24 DR. LEVIN: I THOUGHT THAT WAS ONLY FOR
25 CIRM 2.0.

BARRISTERS' REPORTING SERVICE

1 DR. MILLS: THAT'S THE INSTRUCTIONS THAT
2 ARE GIVEN NOW TO THEM IS VOTE -- USE THE ENTIRE
3 SPECTRUM AND VOTE IT WHEREVER YOU THINK ALONG THAT
4 SPECTRUM IT IS. BUT IT CAN ONLY BE IN TIER II IF
5 YOU THINK IT'S OF MODERATE QUALITY.

6 DR. JUELSGAARD: WELL, THERE'S A SECOND
7 PART TO TIER II, RANDY, WHICH IS OR CONSENSUS ON
8 MERIT WAS NOT REACHED. IT MAY BE --

9 DR. MILLS: THAT'S AN EFFECT OF HOW THEY
10 VOTED, NOT AN INSTRUCTION ON HOW TO VOTE. THEY
11 WOULDN'T KNOW THERE WAS NOT A CONSENSUS.

12 DR. JUELSGAARD: WELL, I'M GOING TO FOCUS
13 ON THAT FOR A MOMENT BECAUSE ONE OF THE THINGS, AND
14 I SAID THIS EARLIER, IT'S A PROCESS ISSUE FOR ME, IS
15 WHEN YOU HAVE THESE LARGE STANDARD DEVIATIONS GOING
16 ON, AND HERE YOU HAVE A LOW SCORE OF 45 LAID UP
17 AGAINST A HIGH SCORE OF 85 AND YOU HAD A MEDIAN
18 SCORE OF 75. AND SO THERE'S THIS HUGE RANGE GOING
19 ON THROUGHOUT ALL OF THIS, AND THAT'S A LITTLE
20 BOTHERSOME TO ME THAT THERE ARE SUCH DIVERGENT
21 POINTS OF VIEW. THAT'S WHY I FOCUS ON CONSENSUS ON
22 MERIT NOT REACHED. IN OTHER WORDS, SOME PEOPLE
23 THOUGHT IT WAS VERY MERITORIOUS AND SOME PEOPLE
24 THOUGHT THAT IT WASN'T.

25 SO THEN IF YOU GO BACK AND LOOK AT THE

BARRISTERS' REPORTING SERVICE

1 COMMENTS THAT WERE MADE, FROM MY POINT OF VIEW,
2 THERE ARE TWO PRIMARY COMMENTS. ONE IS THAT YOU
3 SHOULD BE PURSUING ONE INDICATION, NOT TWO. AND
4 THAT'S ALWAYS A DEBATE THAT GOES ON WHEN YOU'RE
5 FIRST DEVELOPING A DRUG. DO YOU FASHION ON ONE
6 INDICATION, OR DO YOU FASHION ON MORE THAN ONE
7 INDICATION? AND IT'S NOT AN INAPPROPRIATE DECISION
8 AT THE VERY BEGINNING TO ACTUALLY LOOK AT MORE THAN
9 ONE AND THEN NARROW OVER TIME.

10 THE SECOND CRITICISM WAS AROUND FDA
11 INVOLVEMENT AND WHERE WAS THE FDA EXPERTISE. I
12 DON'T REALLY KNOW THE ANSWER TO THAT QUESTION. I DO
13 KNOW THAT FDA EXPERTISE CAN BE BROUGHT INTO THESE
14 PROJECTS TO MAKE SURE THAT YOU DO THE RIGHT THINGS
15 ALONG THE WAY FROM AN FDA POINT OF VIEW. BUT I
16 DIDN'T SEE ANY OTHER SUBSTANTIAL CRITICISMS AT LEAST
17 OF THE SCIENCE THAT'S GOING ON HERE.

18 SO TO THE POINT THAT YOU FEEL CONCERNED
19 ABOUT, IN ESSENCE, OVERRULING, SO TO SPEAK, THE
20 GRANTS WORKING GROUP, I THINK, PARTICULARLY IN A
21 CASE LIKE THIS WHERE THERE'S SUCH A WIDE RANGE OF
22 OPINION, THAT REALLY IS OUR JOB. OUR JOB IS TO
23 THINK ABOUT WHETHER OR NOT WHAT THE GRANTS WORKING
24 GROUP DID WAS A GOOD, FULL, FAIR ANALYSIS
25 PARTICULARLY WHEN YOU'VE GOT SUCH DIVERGENT POINTS

BARRISTERS' REPORTING SERVICE

1 OF VIEW ON THE GRANTS WORKING GROUP. SO I'M NOT --
2 I GUESS THE PROCESS IS ONE THAT BOTHERS ME, AND I
3 DON'T QUITE KNOW HOW WE GET TO THAT POINT OF VIEW.
4 AND THEN I WONDER ABOUT WHO WAS ON THE GRANTS
5 WORKING GROUP THAT REVIEWED THIS. WHERE WAS THE
6 BREADTH OF EXPERTISE, ETC.? SO ANYWAY, I'LL BE
7 QUIET.

8 MR. SHEEHY: SO I HAVE DR. DULIEGE AND
9 THEN I THINK DR. PRIETO. I HOPE I'M NOT NEGLECTING
10 PEOPLE OVER HERE.

11 MS. WINOKUR: MAY I SPEAK TO MY ORIGINAL
12 COMMENT?

13 MR. SHEEHY: IF EVERYONE IS OKAY BECAUSE
14 I'M GETTING A CUE HERE.

15 MS. WINOKUR: MY ORIGINAL COMMENT HAD
16 NOTHING TO DO WITH WHETHER WE HAVE ENOUGH MONEY TO
17 DO THIS. IT WAS A COMMENT REGARDING OUR PROCESS
18 HERE TODAY AND IF WE REALIZE THAT WHAT WE ARE DOING
19 IS OVERTURNING MOST OF THE DECISIONS THAT WERE MADE
20 TO PLACE FIVE PROJECTS IN TIER II.

21 DR. DULIEGE: I JUST WANT TO COME BACK AND
22 ADD A LITTLE BIT TO WHAT YOU WERE SAYING, STEVE.
23 I'M TALKING ABOUT THE GENERAL PROCESS, NOT ABOUT
24 THIS PARTICULAR APPLICATION FOR WHICH I'M
25 CONFLICTED. I THINK IN GENERAL WE HAVE EXACTLY TO

BARRISTERS' REPORTING SERVICE

1 USE OUR JUDGMENT ABOUT THE CRITERIA FOR WHICH A
2 PARTICULAR APPLICATION WAS PUT IN TIER II. AND IF
3 IT'S SCIENTIFIC MERIT, IT'S A REALLY IMPORTANT
4 CONCERN. IF IT'S ABOUT ACQUIRING EXPERTISE, AND
5 PARTICULARLY, AS YOU SAID, STEPHEN, IN REGULATORY,
6 THERE ARE MANY, MANY PEOPLE THAT CAN COME. THIS IS
7 VERY EASILY MANAGEABLE. THIS IS WHY I THINK WE
8 SHOULD --

9 MR. SHEEHY: I THINK WE'RE SPEAKING TO THE
10 GRANT, AREN'T WE?

11 DR. DULIEGE: ABOUT THE PROCESS IN
12 GENERAL.

13 DR. MILLS: I JUST WANT TO MAKE TWO
14 COMMENTS. ONE, I STRONGLY, STRONGLY CAUTION YOU ON
15 READING TOO MUCH INTO THE SUMMARIES ON WHAT THE GWG
16 THOUGHT AND DELIBERATED ABOUT. IT WAS OUR BEST
17 EFFORT TO TRY TO FIGURE OUT WHAT THEY THOUGHT WAS
18 IMPORTANT, BUT I CAN TELL YOU AS A GWG MEMBER
19 HISTORICALLY, HAVING LOOKED BACK ON WHAT MADE OR NOT
20 MADE IT IN THE SUMMARY, THEY DO NOT CORRELATE UNDER
21 THE CURRENT PROCESS VERY WELL WITH WHY SOMEBODY
22 FEELS LIKE THEY MAKE A DECISION OR DON'T FEEL.
23 HOPEFULLY WE'RE GOING TO ADDRESS THAT IN 2.0 BY
24 ASKING THE REVIEWERS DIRECTLY TO COMMENT AND THEN
25 GIVING YOU THOSE COMMENTS DIRECTLY. THAT IS NOT

BARRISTERS' REPORTING SERVICE

1 WHAT WE HAVE NOW.

2 THIS HAPPENS ALL THE TIME WHERE YOU SEE A
3 GRANT AND SAY IF BUT NOT FOR THAT, THIS THING WOULD
4 HAVE BEEN PERFECT. AND HAVING GONE THROUGH THAT
5 EXPERIENCE NOW ON GRANTS I HAD REVIEWED, I WILL JUST
6 SAY IN THE CASES WHERE IT'S INVOLVED ME, THE ANSWER
7 WAS NO. IT WASN'T JUST THAT ONE THING.

8 THE SECOND PART GOES TO THIS COMMENT ABOUT
9 WHEN THERE'S NOT CONSENSUS. I AGREE WITH DR.
10 JUELSGAARD. IT'S EXACTLY WHAT YOU SHOULD DO. THESE
11 DO HAPPEN TO BE BIFURCATED RESULTS FROM THE GWG
12 WHERE THERE CLEARLY WASN'T CONSENSUS. SOME THOUGHT
13 IT WAS GOOD; SOME CLEARLY THOUGHT IT WASN'T GOOD.
14 AND SO I THINK THAT'S EXACTLY THE KIND OF THING YOU
15 SHOULD BE DOING. I WANT TO MAKE SURE EVERYONE
16 UNDERSTANDS THAT MAKING A DECISION THAT'S CONTRARY
17 TO THE RECOMMENDATION FROM CIRM IS NOT TAKEN IN ANY
18 WAY BY US NEGATIVELY OR OUT OF CONTEXT. THIS IS
19 YOUR JOB TO DO THAT. AND WE LAID OUT A RATIONALE
20 FOR WHY WE MADE THE RECOMMENDATIONS WE MADE, BUT IT
21 IS ABSOLUTELY APPROPRIATE FOR YOU GUYS TO DO THAT, I
22 THINK.

23 MR. SHEEHY: DR. PRIETO, I THINK, AND
24 THEN --

25 DR. PRIETO: MY QUESTION WAS ANSWERED.

BARRISTERS' REPORTING SERVICE

1 DR. HIGGINS: I THINK WE'RE IN A UNIQUE
2 SITUATION TODAY IN THAT WE'VE GOT ONE FOOT IN CIRM
3 1.0 AND WE'VE GOT ONE FOOT IN CIRM 2.0. AND I THINK
4 IF YOU LOOK AT THE SCORES AND YOU JUDGE THEM BY ONE
5 CRITERIA, YOU GET ONE RESULT. YOU JUDGE THEM BY
6 ANOTHER CRITERIA IN 2.0, YOU GET A DIFFERENT RESULT.
7 SO I THINK WE NEED TO BE A LITTLE BIT SENSITIVE TO
8 THE PAST AND THE FUTURE.

9 AND I THINK THIS ACTIVISM AS IT SEEMS ON
10 THE BOARD IS LOOKING AT SOME OF THESE SCORES FROM
11 THE 2.0 PERSPECTIVE, AND I SUPPORT DOING THAT. I
12 DON'T KNOW IF I'M BEING OBSCURE OR NOT. I'M NOT
13 TRYING TO BE, BUT I JUST THINK TODAY IS A SPECIAL
14 CASE THAT'S A LITTLE BIT COMPLICATED BECAUSE WE'RE
15 ALL SORT OF THINKING 2.0, BUT WHAT WE'VE GOT IN
16 FRONT OF US IS 1.

17 MR. SHEEHY: ARE THERE FURTHER BOARD
18 COMMENTS OR QUESTIONS?

19 MR. TORRES: THANK YOU, DAVID. I THINK
20 THAT WAS A VERY PERCEPTIVE COMMENT. AND ALSO THAT
21 DOESN'T MEAN IF WE VOTE IN FAVOR OF MOVING THIS
22 PROJECT TO TIER I THAT THAT'S THE END OF IT BECAUSE
23 WHAT I HAVE EXPERIENCED IN THE PAST, AND I THINK
24 THAT WILL CONTINUE TO BE THE CASE, IF STAFF FEELS
25 THAT THIS PROJECT IS NOT MOVING TOWARDS ITS

BARRISTERS' REPORTING SERVICE

1 BENCHMARKS, IF IT'S NOT BEING SUCCESSFUL, IT WILL BE
2 DEFUNDED; IS THAT CORRECT?

3 DR. MILLS: YEAH. IF IT DOESN'T HIT
4 GO/NO-GO MILESTONES, OBVIOUSLY WE WOULD STOP A
5 PROGRAM. OUR RATIONALE, AGAIN, FROM 2.0 WOULD BE
6 LET'S LAUNCH A PROGRAM WITH THE GREATEST CHANCE OF
7 SUCCESS THAN LAUNCH A PROJECT THAT HAS FLAWS
8 ASSOCIATED WITH IT AND THEN TRY TO FIX THEM AS WE'RE
9 ALSO TRYING TO MOVE THE PROGRAM ALONG.

10 MR. SHEEHY: ANY OTHER BOARD COMMENT OR
11 QUESTIONS? ANY PUBLIC COMMENT?

12 DR. MADIGAN: THANK YOU. SANDY MADIGAN
13 AGAIN, CEO OF ANKASA IN SUPPORT OF JILL HELMS AND IN
14 SOME REGARD TO EVERYBODY ELSE THAT'S IN TIER II WITH
15 SOME OF MY COMMENTS.

16 SO FIRST, I'M SORRY MY OPTOMETRIST SETS
17 MY VISION SO I CAN READ AT COMPUTER DISTANCE. SO UP
18 CLOSE DISTANCE, I HAVE TROUBLE. I CAN'T QUITE GET
19 THIS GENTLEMAN'S NAME ON MY RIGHT, BUT CAN I JUST
20 HAND YOU MY NOTES AND YOU TAKE OVER BECAUSE YOU DID
21 A FABULOUS JOB OF SUPPORTING THE PROJECT. I
22 APPRECIATE THAT.

23 SO FIRST OF ALL, I'D LIKE TO ADDRESS. SO
24 LET'S TALK ABOUT CIRM 2.0. YES, IT'S THE NEW KID ON
25 THE BLOCK AND WE CERTAINLY RECOGNIZE THAT THE ADMIN

BARRISTERS' REPORTING SERVICE

1 WOULD LOVE TO MOVE ALL THE TIER IIS INTO CIRM 2.0
2 BECAUSE THEY'D LIKELY BE EARLY SUCCESSES FOR THE
3 ADMINISTRATION.

4 SECOND, LET'S JUST STOP WITH SEMANTICS
5 ABOUT SCORING. THERE ARE SIX GRANTS LISTED UP THERE
6 WITH A MEAN OF 75. HOW DO YOU DIFFERENTIATE BETWEEN
7 THE TWO THAT ARE IN TIER I AND THE FOUR THAT ARE IN
8 TIER II? YOU CANNOT. YOU CAN'T DO IT. WHAT
9 SEPARATES THOSE? I THINK IN TERMS OF THIS
10 PARTICULAR RFA, THIS RFA WAS ANNOUNCED A YEAR AGO.
11 GRANTS WERE SUBMITTED IN NOVEMBER. THERE WAS NO
12 GUIDANCE ABOUT ANY CIRM 2.0, BUT NOW WE'RE APPLYING
13 THOSE CRITERIA. THAT'S TACITLY UNFAIR.

14 FINALLY, IN TERMS OF SOME OF THE SPECIFIC
15 CRITICISMS OF THE REVIEWERS, TOO MANY USES, IT'S THE
16 FIRST TIME AS A BUSINESS PERSON I'VE EVER BEEN
17 CRITICIZED FOR HAVING TOO MANY APPLICATIONS FOR MY
18 PRODUCT.

19 A SYNTHETIC CARRIER, I BROUGHT THIS UP IN
20 MY THREE-MINUTE TALK. THAT IS A PATENTLY
21 MISUNDERSTOOD APPLICATION OF OUR TECHNOLOGY. IT MAY
22 HAVE LED TO THAT 45, IT MAY HAVE BEEN A SEPARATE
23 REVIEWER, IMPOSSIBLE FOR ME TO KNOW, BUT THERE WAS A
24 REVIEWER WHO DID NOT UNDERSTAND THE PROCESS, PERIOD.

25 TWO DIFFERENT REVIEWERS COMMENTED ON

BARRISTERS' REPORTING SERVICE

1 AUTOGRAFT. ONE SAID TOO MUCH RELIANCE ON AUTOGRAFT.
2 ONE SAID, OH, AUTOGRAFT IS GOING TO BE BETTER THAN
3 STANDARD OF CARE. WHICH IS IT? MAKE A DECISION.

4 AND FINALLY, COMMENT ABOUT MINIMIZING TIME
5 UNDER ANESTHESIA, IRRELEVANT. WE ARE APPLYING INTO
6 A BONA FIDE ONGOING SURGICAL PROCEDURE THAT DOCS DO
7 ON A DAILY BASIS. WE DON'T EITHER EXTEND OR
8 DIMINISH TIME UNDER ANESTHESIA. THAT'S NOT OUR
9 PROBLEM. IT'S NOT EVEN PART OF WHAT WE'RE TALKING
10 ABOUT HERE.

11 AND THEN FINALLY, I'M VERY DISTURBED, JUST
12 AS A CALIFORNIA CITIZEN AND VOTER, THAT WE HAVE
13 BOARD MEMBERS WHO ARE UNWILLING TO DO THEIR JOB AND
14 MOVE THESE APPLICATIONS AS THEY SHOULD BE MOVED IF
15 THEY'RE ELIGIBLE AND PEOPLE BELIEVE THEY SHOULD BE
16 MOVED. AND RESPECTFULLY SUBMIT IF THERE ARE PEOPLE
17 THAT ARE NOT WILLING TO DO THAT AND TAKE ON THAT
18 RESPONSIBILITY, WE SHOULD FIND PEOPLE THAT ARE
19 WILLING TO DO SO. THANK YOU.

20 MR. SHEEHY: I JUST WANT TO TAKE OFFENSE
21 AT YOUR LAST COMMENT. WE WERE APPOINTED TO DO OUR
22 JOBS AND NOT TO FUND YOU. AND, PLEASE, YOUR PUBLIC
23 COMMENT IS OVER.

24 DR. MADIGAN: I DIDN'T SUGGEST THAT YOU
25 FUND ME. I SAID IF THERE ARE PEOPLE THAT ARE

BARRISTERS' REPORTING SERVICE

1 UNCOMFORTABLE MOVING GRANTS, WHICH IS PART OF THE
2 BODY OF THIS JOB --

3 MR. SHEEHY: I DID NOT RECOGNIZE YOU FOR
4 PUBLIC COMMENT.

5 DR. MADIGAN: I DIDN'T ASK YOU FOR PUBLIC
6 COMMENT.

7 MR. TORRES: AT THIS POINT I WOULD CALL
8 THE SERGEANT AT ARMS, BUT I DON'T HAVE ONE.

9 MR. SHEEHY: I'M SURPRISED.

10 DR. HELMS: JILL HELMS FROM STANFORD. I
11 FEEL AS PASSIONATELY AS SANDY DOES ABOUT THIS, ONLY
12 I'VE BEEN BROUGHT UP IN ACADEMICS. SO, OF COURSE,
13 WE DON'T SAY THESE THINGS. I MUST SAY THAT IT'S
14 BEEN VERY DIFFICULT TO UNDERSTAND THE PROCESS BY
15 WHICH MEDIAN AND AVERAGE SCORES ARE JUDGED. I HOPE
16 THAT YOU THINK ABOUT THE SCIENCE. I THINK IT'S
17 VERY, VERY STRONG, AND I HOPE THAT YOU THINK ABOUT
18 THAT IN YOUR VOTE. THANK YOU.

19 DR. MILLS: I'VE JUST GOT TO SAY ONE
20 THING. THERE'S SOME SPEAKING TO THE BOARD, AND I
21 HOPE THE BOARD KNOWS THIS, UNDER NO CIRCUMSTANCES
22 WOULD I OR ANY MEMBER OF MY TEAM EVER MAKE A
23 RECOMMENDATION TO DO ANYTHING THAT WASN'T WHAT WE
24 FELT WAS IN THE BEST INTEREST OF OUR MISSION, WHICH
25 IS TO ACCELERATE STEM CELL TREATMENTS TO PATIENTS

BARRISTERS' REPORTING SERVICE

1 WITH UNMET MEDICAL NEEDS. IT IS WHY I START EVERY
2 PRESENTATION WITH A REMINDER THAT IT'S THE PATIENTS
3 THAT COME FIRST. AND UNDER NO CIRCUMSTANCES WOULD
4 WE DO SOMETHING TO SECURE AN EARLY WIN FOR THE
5 ADMINISTRATION.

6 CHAIRMAN THOMAS: I WANT TO COMMENT JUST
7 AS A GENERAL REMARK THAT TESTIMONY THAT WE JUST
8 HEARD TWO SPEAKERS AGO I VIEW AS ENTIRELY
9 NONPRODUCTIVE. THERE'S A PROTOCOL AND A SENSE OF
10 DECORUM THAT ONE HAS TO FOLLOW IN DEALING IN A
11 PUBLIC AGENCY SETTING LIKE THIS. AND I JOIN MR.
12 SHEEHY IN FINDING THE TENOR OF THOSE COMMENTS TO BE
13 VERY OFFENSIVE AND COUNTERPRODUCTIVE TO THE POINTS
14 THAT YOU WERE MAKING.

15 MR. TORRES: HERE. HERE.

16 MR. SHEEHY: THIS IS NOT TIME FOR PUBLIC
17 COMMENT.

18 DR. MADIGAN: I JUST WANTED TO APOLOGIZE.
19 YOU'RE ABSOLUTELY RIGHT, MR. CHAIRMAN. I APOLOGIZE.
20 I APOLOGIZE FOR BEING OUT OF BOUNDS, BUT I AM VERY
21 PASSIONATE ABOUT THIS PROJECT. SO PLEASE ACCEPT MY
22 APOLOGY.

23 MR. SHEEHY: I JUST THINK IT'S IMPORTANT
24 TO REMEMBER THAT THE PEOPLE WHO ARE SERVING HERE ARE
25 SERVING AS VOLUNTEERS. AND AS SOMEONE WHO'S BEEN ON

BARRISTERS' REPORTING SERVICE

1 THIS BOARD SINCE THE BEGINNING FOR TEN YEARS NOW,
2 YOU KNOW, THE TIME AND EFFORT WE PUT INTO TRYING TO
3 UNDERSTAND THE SCIENCE AND DO THE BEST BY THE PEOPLE
4 OF CALIFORNIA HAS BEEN UNMATCHED, I THINK. THE
5 DEDICATION OF THE BOARD MEMBERS I'VE SERVED WITH,
6 THE COMPLETE ABSENCE OF PERSONAL INTEREST, AND
7 DEDICATION TO DOING THE BEST FOR THE PATIENTS OF
8 CALIFORNIA, I THINK, HAS BEEN IN EVIDENCE FOR THE
9 LAST TEN YEARS.

10 (APPLAUSE.)

11 MR. SHEEHY: AND I WANT TO REITERATE THAT
12 TO CHALLENGE THAT DOESN'T REALLY GET TO THE HEART OF
13 WHY WE'RE HERE. WE'RE HERE TO BE CAREFUL STEWARDS
14 OF THE STATE'S MONEY. THIS IS NOT OUR MONEY. THIS
15 BELONGS TO THE CITIZENS OF CALIFORNIA. AND IT'S TO
16 BALANCE THAT STEWARDSHIP WITH THE NECESSITY OF
17 GETTING TREATMENTS TO PATIENTS AS QUICKLY AND
18 EFFICIENTLY AS WE CAN. SO I'LL JUST LEAVE IT AT
19 THAT. I THINK WE'RE READY TO CALL THE ROLL.

20 DR. JUELGAARD: JUST TWO QUICK COMMENTS.
21 FIRST OF ALL, I COMPLETELY AGREE WITH EVERYTHING
22 THAT YOU JUST SAID, AND I THINK IT'S VERY
23 UNFORTUNATE THE COMMENTS THAT WERE PREVIOUSLY MADE
24 EVEN THOUGH THERE'S BEEN AN APOLOGY ISSUED.

25 BUT FOR ME THIS VOTE IS NOT SO MUCH ABOUT

BARRISTERS' REPORTING SERVICE

1 THAT. IN FACT, IT'S NOT ALL ABOUT THAT, BUT IT'S ON
2 WHAT I PERSONALLY THINK ABOUT THE VALUE OF THIS
3 PROGRAM AND WHETHER OR NOT IT'S SOMETHING THAT WE
4 SHOULD FUND, AND IT'S NOT ABOUT WHETHER WE'RE IN THE
5 OLD SYSTEM OR THE NEW SYSTEM OR WHATEVER, BUT BASED
6 ON WHAT I READ AS THE COMMENTS, DR. MILLS, THIS IS
7 ALL I HAVE TO GO ON WHAT ARE WRITTEN DOWN. SO IF
8 THERE WERE STRONGER FEELINGS THAT JUST DIDN'T MAKE
9 IT INTO THIS, THERE'S NO WAY I CAN JUDGE. BUT FOR
10 ME IT'S ABOUT WHETHER OR NOT THIS IS A PROGRAM THAT
11 WOULD FIT WELL WITHIN OUR PORTFOLIO OF PROJECTS WITH
12 A STRONG SCIENTIFIC MERIT AND THAT HAS A GREAT TEAM
13 BEHIND IT AND WHETHER OR NOT THE PROCESS THAT WAS
14 USED BY THE GWG WAS ONE WHICH YOU COULD SAY WAS LESS
15 THAN PERFECT BECAUSE I THINK IT WAS. IF YOU LOOK AT
16 THE VOTES, YOU HAVE EIGHT PEOPLE PUTTING THIS IN
17 TIER I, THREE IN TIER II, AND THEN FOUR IN TIER III.
18 IT'S JUST TO ME NOT VERY UNDERSTANDABLE HOW YOU CAN
19 HAVE THOSE KIND OF OUTLIERS GOING ON.

20 SO, ANYWAY, JUST WANTED TO ISSUE MY VIEW
21 OF THIS PROPOSAL.

22 MS. WINOKUR: I THINK THAT THIS DISCUSSION
23 IS A VERY GOOD ONE TO SUPPORT THE CHANGE TO 2.0.

24 MR. SHEEHY: THANK YOU. I THINK WE'RE
25 READY TO CALL THE ROLL.

BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: DAVID HIGGINS.
2 DR. HIGGINS: YES.
3 MS. BONNEVILLE: STEPHEN JUELSGAARD.
4 MR. JUELSGAARD: YES.
5 MS. BONNEVILLE: KATHY LAPORTE.
6 DR. LAPORTE: YES.
7 MS. BONNEVILLE: LAUREN MILLER.
8 MS. MILLER: YES.
9 MS. BONNEVILLE: FRANCISCO PRIETO.
10 DR. PRIETO: ABSTAIN.
11 MS. BONNEVILLE: ROBERT QUINT.
12 DR. QUINT: ABSTAIN.
13 MS. BONNEVILLE: AL ROWLETT.
14 MR. ROWLETT: ABSTAIN.
15 MS. BONNEVILLE: JEFF SHEEHY.
16 MR. SHEEHY: ABSTAIN.
17 MS. BONNEVILLE: JONATHAN THOMAS.
18 CHAIRMAN THOMAS: NO.
19 MS. BONNEVILLE: ART TORRES.
20 MR. TORRES: AYE.
21 MS. BONNEVILLE: DIANE WINOKUR.
22 MS. WINOKUR: ABSTAIN.
23 MR. HARRISON: THE MOTION FAILS WITH FIVE
24 YES VOTES, FIVE ABSTENTIONS, AND ONE NO VOTE.
25 MR. SHEEHY: NOW I WILL TAKE A MOTION TO

BARRISTERS' REPORTING SERVICE

1 FUND ALL THE APPLICATIONS AND NOT FUND THE REMAINING
2 APPLICATIONS, AND THIS SHOULD BE SOMEONE WITHOUT A
3 CONFLICT.

4 MR. TORRES: SO MOVED.

5 MR. SHEEHY: SENATOR TORRES. DO I HAVE A
6 SECOND?

7 MS. MILLER: SECOND.

8 MR. SHEEHY: SECONDED BY MS. MILLER. ANY
9 BOARD COMMENT? ANY PUBLIC COMMENT? CALL THE ROLL.
10 AND COULD YOU INFORM US ABOUT THE FORM THAT THIS
11 SHOULD TAKE?

12 MR. HARRISON: YES. PLEASE REMEMBER, IF
13 YOU HAVE A CONFLICT WITH RESPECT TO A PARTICULAR
14 APPLICATION, TO VOTE EITHER A YES OR NO EXCEPT WITH
15 RESPECT TO THOSE APPLICATIONS FOR WHICH YOU HAVE A
16 CONFLICT.

17 MS. BONNEVILLE: ANNE-MARIE DULIEGE.

18 DR. DULIEGE: YES, EXCEPT FOR THOSE WITH
19 WHICH I HAVE A CONFLICT.

20 MS. BONNEVILLE: DAVID HIGGINS.

21 DR. HIGGINS: YES, EXCEPT FOR THOSE WITH
22 WHICH I HAVE A CONFLICT.

23 MS. BONNEVILLE: STEPHEN JUELSGAARD.

24 MR. JUELSGAARD: YES.

25 MS. BONNEVILLE: KATHY LAPORTE.

BARRISTERS' REPORTING SERVICE

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

DR. LAPORTE: YES.

MS. BONNEVILLE: LAUREN MILLER.

MS. MILLER: YES.

MS. BONNEVILLE: FRANCISCO PRIETO.

DR. PRIETO: YES, EXCEPT FOR THOSE WITH WHICH I HAVE A CONFLICT.

MS. BONNEVILLE: ROBERT QUINT.

DR. QUINT: YES.

MS. BONNEVILLE: AL ROWLETT.

MR. ROWLETT: YES, EXCEPT FOR THOSE WITH WHICH I HAVE A CONFLICT.

MS. BONNEVILLE: JEFF SHEEHY.

MR. SHEEHY: YES, EXCEPT FOR THOSE WITH WHICH I HAVE A CONFLICT.

MS. BONNEVILLE: JONATHAN THOMAS.

CHAIRMAN THOMAS: YES.

MS. BONNEVILLE: ART TORRES.

MR. TORRES: AYE.

MS. BONNEVILLE: DIANE WINOKUR.

MS. WINOKUR: YES.

MR. HARRISON: MOTION CARRIES.

MR. TORRES: WELL DONE, MR. CHAIRMAN SHEEHY.

CHAIRMAN THOMAS: I KNOW YOU NEED A BREAK DESPERATELY. WE'RE GOING TO TAKE A FIVE-MINUTE

BARRISTERS' REPORTING SERVICE

1 BREAK. WE HAVE A NUMBER OF ITEMS OF BUSINESS TO GET
2 TO HERE, SO PLEASE BE BACK IN FIVE. DON, I THINK
3 WE'RE GOING TO TAKE YOUR PICTURE LATER THAN NOW.

4 (A RECESS WAS TAKEN.)

5 CHAIRMAN THOMAS: OKAY. WOULD EVERYBODY
6 PLEASE TAKE YOUR SEATS. COULD THOSE IN THE AUDIENCE
7 EITHER PLEASE TAKE YOUR SEATS OR CONTINUE THEIR
8 CONVERSATIONS IN THE HALLWAY? THANK YOU.

9 WE ARE NOW GOING TO PROCEED TO ITEM NO. 8,
10 CONSIDERATION OF DEFERRED APPLICATIONS RT -- THEY'RE
11 LONG NUMBERS. I'LL LET GIL TALK ABOUT THEM -- FOR
12 RFA 13-05, WHICH IS A CIRM TOOLS AND TECHNOLOGIES
13 III ROUND.

14 DR. SAMBRANO: THANK YOU, MR. CHAIRMAN,
15 MEMBERS OF THE BOARD. SO YOU MIGHT RECALL THAT AT
16 OUR LAST MEETING IN JANUARY, THERE WERE TWO
17 APPLICATIONS FROM THE TOOLS AND TECHNOLOGY II, THE
18 RFA 13-05 THAT WERE DEFERRED FROM CONSIDERATION IN
19 ORDER TO ASSESS APPEALS THAT WERE MADE BY THE
20 APPLICANTS. AND THESE WERE BOTH BASED ON A MATERIAL
21 DISPUTE OF FACT. BOTH HAD SET FORTH ADEQUATE
22 GROUNDS FOR CONSIDERATION, SO WHAT WE DO IS WE PUT
23 TOGETHER A SUBCOMMITTEE OF THE GRANTS WORKING GROUP
24 IN ORDER TO CONSIDER THE CLARIFICATION OF THOSE
25 FACTS. SO THIS INCLUDES THE CHAIR OF THE GRANTS

BARRISTERS' REPORTING SERVICE

1 WORKING GROUP REVIEW, THREE SCIENTIFIC REVIEWERS,
2 AND ONE OR TWO PATIENT ADVOCATE MEMBERS.

3 NOW, IN BOTH OF THESE CASES, THE GRANTS
4 WORKING GROUP REVIEWERS AGREED THAT THE
5 CLARIFICATION ABOUT THE DISPUTED FACTS DID NOT
6 IMPACT THEIR SCORES AND WOULD NOT HAVE CHANGED THEIR
7 RECOMMENDATION. THEREFORE, BOTH APPLICATIONS ARE TO
8 BE CONSIDERED BY THE ICOC'S APPLICATION REVIEW
9 SUBCOMMITTEE WITH NO CHANGE FROM THE GRANTS WORKING
10 GROUP IN TERMS OF THE RECOMMENDATION.

11 SO I DON'T KNOW THAT YOU CAN SEE THIS ON
12 THE SCREEN. I THINK YOU MAY HAVE A COPY OF IT.
13 THIS IS THE TABLE IN RANK ORDER FROM THE TOOLS AND
14 TECHNOLOGY APPLICATIONS THAT WERE RECEIVED. AND
15 IT'S HERE JUST REALLY TO SERVE AS A REMINDER, AND
16 I'LL GO OVER THIS BRIEFLY.

17 SO THE TWO APPLICATIONS IN QUESTION, THE
18 FIRST ONE IS RT3-07836. THAT ONE RECEIVED A SCORE
19 OF 64, WHICH PLACED IT IN TIER III, AND THE
20 RECOMMENDATION FROM THE WORKING GROUP WAS NOT
21 RECOMMENDED FOR FUNDING. SO, THEREFORE, IT
22 CONTINUES TO BE IN TIER III. AND THE CIRM TEAM
23 RECOMMENDATION CONCURS WITH THAT WORKING GROUP
24 RECOMMENDATION.

25 THE OTHER APPLICATION THAT WAS CONSIDERED

BARRISTERS' REPORTING SERVICE

1 WAS RT3-07678. THAT ONE HAD A SCORE OF 74. THE
2 GRANTS WORKING GROUP RECOMMENDATION WAS A TIER II
3 THAT WAS MODERATE QUALITY OR NO CONSENSUS. IT ALSO
4 HAD A CIRM TEAM RECOMMENDATION TO FUND, AND WE
5 CONTINUE TO SUPPORT THAT RECOMMENDATION.

6 OUR RATIONALE FOR CHOOSING TO RECOMMEND
7 THIS ONE FOR FUNDING IS BASED ON THAT THIS PROPOSAL
8 ADDRESSES THE SAFETY OF HUMAN PLURIPOTENT STEM
9 CELL-DERIVED CELLS FOR TRANSPLANTATION. IT'S A
10 CRITICAL BOTTLENECK FOR CLINICAL APPLICATION OF STEM
11 CELL-DERIVED THERAPIES. WE CURRENTLY DO NOT HAVE
12 ANY ACTIVE GRANTS IN THE CIRM PORTFOLIO THAT ADDRESS
13 THIS SPECIFIC BOTTLENECK. THIS IS A SMALL MOLECULE
14 APPROACH THAT WE THINK IS A POTENTIAL COST-EFFECTIVE
15 APPROACH THAT CAN ADDRESS THIS BOTTLENECK.

16 AND THEN YOU MAY ALSO NOTICE IN THAT TIER
17 II GROUP THAT WAS CONSIDERED LAST TIME THERE WERE
18 TWO OTHER TOOLS AND TECH APPLICATIONS THAT WERE
19 RECOMMENDED FOR FUNDING BY THE CIRM TEAM AND
20 APPROVED FOR FUNDING BY THE ICOC. THIS APPLICATION,
21 LIKE THOSE OTHER TWO, HAD A MEDIAN SCORE OF 75 AND A
22 MAJORITY OF THE VOTING MEMBERS OF THE GRANTS WORKING
23 GROUP SCORED THE APPLICATION WITH 75 OR ABOVE.

24 SO WE ARE THEN OPEN TO YOUR CONSIDERATION
25 FOR THESE TWO PROPOSALS.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: TURN THIS OVER TO
2 MR. SHEEHY FOR PROGRAMMATIC.

3 MR. SHEEHY: SURE. AND I'M WONDERING -- I
4 THINK WE'RE MISSING A COUPLE OF FOLKS, DR. PRIETO
5 AND MR. JUELSGAARD. DO WE NEED THEIR VOTES IN ORDER
6 TO CONSIDER THIS? I JUST WANT TO MAKE SURE THAT WE
7 DON'T -- I DON'T KNOW WHAT OUR QUORUM CONSTRAINTS
8 ARE.

9 MR. HARRISON: WE HAVE A QUORUM IN THE
10 ROOM.

11 MR. SHEEHY: THEN LET'S TAKE UP THE STAFF
12 RECOMMENDATION TO FUND FIRST, I BELIEVE, BECAUSE THE
13 SECOND ONE I BELIEVE I HAVE A CONFLICT, SO SOMEONE
14 WILL ELSE WILL HAVE TO CARRY THAT ONE. CHAIRMAN
15 THOMAS.

16 SO DO WE HAVE A MOTION TO ACCEPT THE STAFF
17 RECOMMENDATION FOR THIS ONE, WHICH IS TO FUND?

18 MR. TORRES: SO MOVED.

19 MR. SHEEHY: MOVED BY SENATOR TORRES. DO
20 I HAVE A SECOND?

21 DR. JUELSGAARD: SECOND.

22 MR. SHEEHY: DO WE HAVE DISCUSSION OF
23 THIS? DO YOU WANT ADDITIONAL INFORMATION? I THINK
24 DR. SAMBRANO GAVE A BIT OF A SYNOPSIS; BUT IF MORE
25 INFORMATION IS NEEDED, OTHERWISE WE CAN GO TO PUBLIC

BARRISTERS' REPORTING SERVICE

1 COMMENT AND A VOTE. IS THERE ANY PUBLIC COMMENT ON
2 THIS? YES, PLEASE.

3 DR. KOEHLER: I'M DR. CARLA KOEHLER. I'M
4 THE PI ON 7678, THE ONE THAT HAS THE LITTLE WHITE
5 BAR UP THERE.

6 THIS IS A GRANT THAT HAS BORNE OUT OF A
7 CIRM BASIC BIOLOGY AND A SEED GRANT, AND WE WOULD --
8 ANOTHER POINT OF COMMENT IN THE REVIEWERS WAS THAT
9 WE WERE ONLY GOING TO WORK ON NEURONAL CELLS. BUT
10 AS WE STATED IN SEVERAL PLACES IN THE GRANT, WE ARE
11 GOING TO WORK ON MORE THAN NEURONAL CELLS. WE THINK
12 THIS IS A REALLY IMPORTANT AREA TO DEVELOP. THERE'S
13 A LARGE NUMBER OF STEM CELLS THAT FAIL TO
14 DIFFERENTIATE IN STEM CELL THERAPIES WHEN WE IMPLANT
15 THEM INTO PATIENTS. IF THEY HAVE NOT COMPLETELY
16 DIFFERENTIATED, THEY CAN TURN INTO TERATOMAS. AS
17 GIL SAID, THERE'S REALLY NOTHING THAT'S BEING DONE
18 IN THIS SCOPE, AND SO WE THINK THAT THIS IS REALLY
19 AN IMPORTANT AREA TO DEVELOP AND SOMETHING THAT WE
20 WOULD LIKE TO CONTINUE WORKING ON.

21 MR. SHEEHY: THANK YOU. MS. BONNEVILLE,
22 COULD WE CALL THE ROLL, PLEASE.

23 DR. DULIEGE: CAN WE REPEAT THE MOTION?

24 MR. SHEEHY: THE MOTION IS TO MOVE THIS
25 INTO TIER I.

BARRISTERS' REPORTING SERVICE

1 MR. HARRISON: IT'S APPLICATION RT3-07678.
2 MS. BONNEVILLE: ANNE-MARIE DULIEGE.
3 DR. DULIEGE: AYE.
4 MS. BONNEVILLE: DAVID HIGGINS.
5 DR. HIGGINS: YES.
6 MS. BONNEVILLE: STEPHEN JUELSGAARD.
7 MR. JUELSGAARD: YES.
8 MS. BONNEVILLE: KATHY LAPORTE.
9 DR. LAPORTE: YES.
10 MS. BONNEVILLE: LAUREN MILLER.
11 MS. MILLER: YES.
12 MS. BONNEVILLE: FRANCISCO PRIETO. ROBERT
13 QUINT.
14 DR. QUINT: YES.
15 MS. BONNEVILLE: AL ROWLETT.
16 MR. ROWLETT: YES.
17 MS. BONNEVILLE: JEFF SHEEHY.
18 MR. SHEEHY: YES.
19 MS. BONNEVILLE: JONATHAN THOMAS.
20 CHAIRMAN THOMAS: YES.
21 MS. BONNEVILLE: ART TORRES.
22 MR. TORRES: AYE.
23 MS. BONNEVILLE: DIANE WINOKUR.
24 MS. WINOKUR: YES.
25 MR. HARRISON: THE MOTION CARRIES WITH A

BARRISTERS' REPORTING SERVICE

1 11 YES VOTES.

2 MR. SHEEHY: AND THEN COULD I HAND THE
3 CONSIDERATION OF THE NEXT APPLICATION OVER TO
4 CHAIRMAN THOMAS.

5 CHAIRMAN THOMAS: CERTAINLY, MR. SHEEHY.
6 WE'RE NOW CONSIDERING GRANT RT3-07836; IS THAT
7 CORRECT, DR. SAMBRANO?

8 DR. SAMBRANO: CORRECT.

9 CHAIRMAN THOMAS: AND HAVING HEARD THE
10 RECOMMENDATION, UPON FURTHER WORK, THAT WE CONTINUE
11 TO KEEP THIS IN TIER III AND NOT MOVE IT UP FOR
12 FUNDING, THAT IS THE RECOMMENDATION OF THE TEAM. DO
13 I HEAR A MOTION TO MOVE IT FROM TIER III UP TO NO.
14 I? HEARING NONE, MR. HARRISON, DO WE REQUIRE PUBLIC
15 COMMENT IF WE HAVE NO MOTION?

16 MR. HARRISON: NO.

17 CHAIRMAN THOMAS: SO THAT WILL COMPLETE
18 CONSIDERATION OF THAT PARTICULAR GRANT.

19 MR. HARRISON: CHAIRMAN THOMAS, WE
20 ACTUALLY NEED TO TAKE ANOTHER MOTION NOT TO FUND
21 THAT APPLICATION.

22 CHAIRMAN THOMAS: DO I HEAR A MOTION --

23 MR. TORRES: SO MOVED.

24 CHAIRMAN THOMAS: MOVED BY SENATOR TORRES.

25 MR. JUELSGAARD: SECOND.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: ANY DISCUSSION BY
2 MEMBERS OF THE BOARD? MR. HARRISON, DOES THAT
3 MOTION REQUIRE PUBLIC COMMENT?

4 MR. HARRISON: YES.

5 CHAIRMAN THOMAS: IS THERE ANY PUBLIC
6 COMMENT ON THAT MOTION? SEEING AND HEARING NONE,
7 MARIA, WILL YOU PLEASE CALL THE ROLL.

8 MS. BONNEVILLE: ANNE-MARIE DULIEGE.

9 DR. DULIEGE: AYE.

10 MS. BONNEVILLE: DAVID HIGGINS.

11 DR. HIGGINS: YES.

12 MS. BONNEVILLE: STEPHEN JUELSGAARD.

13 MR. JUELSGAARD: YES.

14 MS. BONNEVILLE: KATHY LAPORTE.

15 DR. LAPORTE: YES.

16 MS. BONNEVILLE: LAUREN MILLER.

17 MS. MILLER: YES.

18 MS. BONNEVILLE: FRANCISCO PRIETO.

19 DR. PRIETO: YES.

20 MS. BONNEVILLE: ROBERT QUINT.

21 DR. QUINT: YES.

22 MS. BONNEVILLE: AL ROWLETT.

23 MR. ROWLETT: YES.

24 MS. BONNEVILLE: JONATHAN THOMAS.

25 CHAIRMAN THOMAS: YES.

BARRISTERS' REPORTING SERVICE

1 MS. BONNEVILLE: ART TORRES.

2 MR. TORRES: AYE.

3 MS. BONNEVILLE: DIANE WINOKUR.

4 MS. WINOKUR: YES.

5 CHAIRMAN THOMAS: DO WE NEED ANY FURTHER
6 MOTIONS ON THIS MATTER? SO THIS WILL BE THE END OF
7 THAT TOPIC THEN; IS THAT CORRECT?

8 MR. HARRISON: CORRECT. AND THAT MOTION
9 PASSED WITH 11 YES VOTES.

10 CHAIRMAN THOMAS: THANK YOU VERY MUCH,
11 MR. SHEEHY. THANK YOU, DR. SAMBRANO.

12 ON TO ITEM NO. 9, CONSIDERATION OF
13 ADOPTION OF THE INTERIM GRANTS ADMINISTRATION POLICY
14 FOR THE CLINICAL STAGE PROGRAMS. GABE THOMPSON WILL
15 PRESENT.

16 MR. SHEEHY: I JUST WANTED TO MAKE THE
17 COMMENT THAT THE NEXT TWO ITEMS, I BELIEVE, WERE
18 DISCUSSED IN THE SCIENCE SUBCOMMITTEE. AND THOSE
19 WERE MOVED THROUGH THE SCIENCE SUBCOMMITTEE
20 UNANIMOUSLY.

21 MR. THOMPSON: CHAIRMAN THOMAS, MEMBERS OF
22 THE BOARD, MEMBERS OF THE PUBLIC, AND CIRM TEAM, I'M
23 GABRIEL THOMPSON, DIRECTOR OF GRANTS MANAGEMENT AT
24 CIRM AND OFFERING FOR YOUR CONSIDERATION PROPOSED
25 INTERIM GRANTS ADMINISTRATION POLICY REGULATIONS FOR

BARRISTERS' REPORTING SERVICE

1 THE LATE STAGE PROJECTS. THIS WOULD BE THE GRANTS
2 ADMINISTRATION POLICY THAT WOULD APPLY TO NEW AWARDS
3 UNDER PROGRAM ANNOUNCEMENTS 15-01, 15-02, AND 15-03.

4 THE PROPOSED INTERIM GRANTS ADMINISTRATION
5 POLICY FOLLOWS THE SAME BASIC TEMPLATE AS THE
6 EXISTING POLICY. THAT APPLIES TO CURRENT ACTIVE AND
7 FORMER AWARDS. THE POLICY IS CHRONOLOGICALLY
8 ORGANIZED TO GOVERN THE FULL GRANT-MAKING PROCESS,
9 INCLUDING APPLICATION IN THE REVIEW PROCESS, THE
10 PRE-AWARD AND AWARD REQUIREMENTS, AND RULES
11 GOVERNING PAYMENT AND USE OF FUNDS WHEN CIRM GRANTS
12 ARE FUNDED.

13 THE CIRM TEAM REVIEWED EACH ASPECT OF THE
14 EXISTING POLICY THROUGH THE LENS OF THE CLINICAL
15 STAGE PROGRAM AND ITS REQUIREMENTS. AND THE RESULT
16 IS A POLICY DESIGNED TO ATTRACT MORE HIGH QUALITY
17 APPLICATIONS, REDUCE CYCLE TIME FROM APPLICATION TO
18 PROJECT START, ACCELERATE PROGRESSION OF FUNDED
19 PROJECTS, AND PROVIDE A MORE EFFICIENT
20 ADMINISTRATION OF THE PROJECTS.

21 THE GRANTS ADMINISTRATION POLICY WAS
22 PREVIEWED AT THE LAST BOARD MEETING, AND WE WENT
23 OVER THOSE MAJOR AREAS THAT WE ADDRESSED IN THE
24 POLICY AND ASKED THE BOARD FOR ADDITIONAL TIME TO
25 PROVIDE A LITTLE BIT MORE CLARIFICATION IN THE

BARRISTERS' REPORTING SERVICE

1 POLICY ITSELF.

2 THOSE ITEMS WE'VE CLARIFIED SINCE THE LAST
3 BOARD MEETING INCLUDES LANGUAGE REGARDING THE NEW
4 SCORING SYSTEM. SO WE EXPLAINED THE SCORING SYSTEM
5 AS YOU WILL HEAR IN THE NEXT AGENDA ITEM. WE'VE
6 CLARIFIED THE REPORTING REQUIREMENTS FOR AWARDS
7 FUNDED UNDER THESE NEW PROGRAM ANNOUNCEMENTS. SO
8 WHEN ARE REPORTS REQUIRED? UPON ACHIEVING
9 OPERATIONAL MILESTONES OR HITTING SUSPENSION EVENTS.
10 AND WHAT ARE THE CONTENT OF THOSE REPORTS?

11 WE CLARIFY WHEN PROTOCOL APPROVALS ARE
12 REQUIRED. THAT WOULD BE IRB, IACUC, AND SCRO
13 PROTOCOL APPROVALS. SO WE CLARIFY WHEN WE WANT TO
14 SEE THOSE DOCUMENTS AND WHEN SELF-CERTIFICATION IS
15 SUFFICIENT.

16 AND THEN WE INCLUDE LANGUAGE ABOUT THE
17 COMMUNICATIONS PLAN UNDER THESE AWARDS. AND WHAT WE
18 MEAN BY COMMUNICATIONS PLAN IS WHEN IS THE AWARDEE
19 REQUIRED TO COMMUNICATE TO CIRM THE STATUS OF A
20 PROJECT, FOR INSTANCE, IF A TRIAL GOES ON A CLINICAL
21 HOLD. SO THEY WOULD HAVE TO REPORT THAT TO CIRM.
22 IF THE AWARDEE WAS SUBJECT TO AN FDA AUDIT, THOSE
23 KINDS OF THINGS, WE SPELL OUT IN MORE DETAIL WHEN
24 THEY'RE REQUIRED TO COMMUNICATE TO CIRM.

25 SO WE ARE ASKING THE BOARD TO FORMALLY

BARRISTERS' REPORTING SERVICE

1 APPROVE THESE INTERIM REGULATIONS WHICH WOULD THEN
2 START THE PROCESS BY WHICH WE WOULD GO TO THE
3 STATE'S OFFICE OF ADMINISTRATIVE LAW TO SEEK FORMAL
4 APPROVAL. AND WE WOULD HAVE 270 DAYS TO DO SO. AND
5 WE WOULD IN THAT PERIOD BE ABLE TO CONTINUE TO TAKE
6 INPUT FROM ALL OF OUR STAKEHOLDERS, INCLUDING THE
7 PUBLIC, ON THE REGULATIONS AND CONTINUE TO REFINE
8 THOSE THROUGHOUT THIS PROCESS UNTIL WE GET FORMAL
9 APPROVAL.

10 SO THAT SAID, WE'RE ASKING THE BOARD FOR
11 APPROVAL OF THESE INTERIM REGULATIONS.

12 CHAIRMAN THOMAS: DO I HEAR A MOTION TO
13 APPROVE THESE INTERIM REGULATIONS?

14 MR. SHEEHY: SO MOVED.

15 MR. TORRES: SECOND.

16 CHAIRMAN THOMAS: MOVED BY MR. SHEEHY,
17 SECONDED BY SENATOR TORRES. DISCUSSION BY MEMBERS
18 OF THE BOARD? AS MR. SHEEHY SAID, WE HAD
19 CONSIDERABLE DISCUSSION ON ALL THESE POINTS AT THE
20 SCIENCE SUBCOMMITTEE, AND IT WAS PASSED THROUGH
21 UNANIMOUSLY. SO ALL OF THESE THINGS HAVE BEEN
22 CAREFULLY LOOKED AT AND VETTED.

23 ANY COMMENTS FROM MEMBERS OF THE PUBLIC?

24 MR. HARRISON, DOES THIS REQUIRE A ROLL CALL?

25 MR. HARRISON: VOICE VOTE IS FINE EXCEPT

BARRISTERS' REPORTING SERVICE

1 FOR THOSE ON THE PHONE.

2 CHAIRMAN THOMAS: SO WE'RE GOING TO DO
3 FIRST VOICE VOTE IN THE ROOM AND THEN THOSE ON THE
4 PHONE. ALL THOSE IN FAVOR IN THE ROOM PLEASE SAY
5 AYE. OPPOSED? ANY ABSTENTIONS? MARIA, WILL YOU
6 PLEASE CALL THOSE ON THE PHONE?

7 MS. BONNEVILLE: KATHY LAPORTE.

8 DR. LAPORTE: AYE.

9 MS. BONNEVILLE: ELIZABETH FINI.

10 DR. FINI: YES.

11 MS. BONNEVILLE: KRISTINA VUORI.

12 DR. VUORI: YES.

13 CHAIRMAN THOMAS: MR. HARRISON, I PRESUME
14 THAT PASSED WITH FLYING COLORS.

15 MR. HARRISON: MOTION CARRIES.

16 CHAIRMAN THOMAS: THANK YOU. WE'RE GOING
17 TO GO ON NOW TO ITEM NO. 10, CONSIDERATION OF
18 ADOPTION OF AMENDMENTS TO GRANTS WORKING GROUP
19 BYLAWS. WHEN WE GET THROUGH THAT, WE WILL THEN
20 DISCUSS LUNCH PLANS. MR. HARRISON.

21 MR. TORRES: ARE WE GOING TO GET TO ITEM
22 12 BY 1 O'CLOCK?

23 CHAIRMAN THOMAS: ABSOLUTELY. WE'RE
24 ACTUALLY GOING TO WORK THROUGH LUNCH, SO WE WILL
25 DEFINITELY GET TO ITEM 12 BEFORE 1 O'CLOCK.

BARRISTERS' REPORTING SERVICE

1 MR. HARRISON: THANK YOU, CHAIRMAN THOMAS.
2 AS JEFF SHEEHY EXPLAINED, THE SCIENCE SUBCOMMITTEE
3 MET EARLIER THIS WEEK AND CONSIDERED PROPOSED
4 AMENDMENTS TO THE GWG BYLAWS. AND WE WANT TO
5 BRIEFLY TAKE YOU THROUGH THE SIGNIFICANT CHANGES
6 THAT WE PROPOSE TO MAKE.

7 OUR GOAL IN REVIEWING THE BYLAWS WAS,
8 FIRST, TO UPDATE THEM. WE HAVE NOT AMENDED THE
9 BYLAWS SINCE THE BEGINNING OF 2013, AND THERE HAVE
10 BEEN CHANGES TO PRACTICES AND POLICIES SINCE THEN.
11 SO WE HAVE INCLUDED AMENDMENTS TO BRING THE BYLAWS
12 UP TO DATE AND CONSISTENT WITH OUR CURRENT PRACTICES
13 AND POLICIES.

14 WE'VE ALSO PROPOSED AMENDMENTS TO CONFORM
15 THE BYLAWS TO THE CIRM 2.0 PROCESS, INCLUDING THE
16 SUBJECT OF SCORING, WHICH THE BOARD TALKED ABOUT AT
17 LENGTH THIS MORNING.

18 SO LET ME BRIEFLY DESCRIBE SOME OF THE
19 SIGNIFICANT CHANGES. FIRST, WE HAVE CLARIFIED THE
20 GRANTS WORKING GROUP'S ROLE IN OVERSEEING THE
21 PROGRESS OF FUNDED PROJECTS. UNDER PROP 71 THE
22 GRANTS WORKING GROUP HAS A ROLE TO PLAY IN THE
23 OVERSIGHT OF FUNDED AWARDS. WE INTEND, AS PART OF
24 CIRM 2.0, TO USE THE GRANTS WORKING GROUP IN ITS
25 OVERSIGHT CAPACITY ON A MORE REGULAR BASIS. AS YOU

BARRISTERS' REPORTING SERVICE

1 KNOW, AS PART OF CIRM 2.0, A CLINICAL ADVISORY PANEL
2 WILL BE ESTABLISHED FOR EACH CLINICAL STAGE PROJECT.
3 AND THESE CAP'S WILL REPORT ON AN ANNUAL BASIS TO
4 THE GRANTS WORKING GROUP.

5 THE SECOND SIGNIFICANT CHANGE THAT WE
6 WOULD PROPOSE IS TO MORE ACTIVELY ENGAGE THE PATIENT
7 ADVOCATE MEMBERS OF THE GRANTS WORKING GROUP IN THE
8 REVIEW PROCESS. CURRENTLY THE PATIENT ADVOCATE
9 MEMBERS OF THE GRANTS WORKING GROUP PARTICIPATE IN
10 THE GRANTS WORKING GROUP REVIEW, BUT DO NOT SCORE
11 APPLICATIONS AND ARE NOT ASSIGNED AS REVIEWERS. WE
12 PROPOSE TO ENGAGE THE PATIENT ADVOCATE MEMBERS MORE
13 ACTIVELY BY INVITING A PATIENT ADVOCATE MEMBER OF
14 THE GWG TO SERVE AS A REVIEWER ON EACH APPLICATION.
15 ALTHOUGH THE PATIENT ADVOCATE MEMBER WOULDN'T SCORE
16 THE APPLICATIONS, ONLY THE SCIENTIFIC REVIEWERS
17 ASSIGN A SCORE, THE PATIENT ADVOCATE MEMBER WOULD
18 HAVE AN OPPORTUNITY TO PROVIDE HIS OR HER VIEWS ON
19 THE MERITS OF THE APPLICATION DURING THE REVIEW
20 PROCESS AND BEFORE THE SCIENTISTS SCORE THE
21 APPLICATION.

22 THE LAST SIGNIFICANT CHANGE IS A PROPOSED
23 MODIFICATION TO THE SCORING SYSTEM FOR CLINICAL
24 STAGE APPLICATIONS; THAT IS, THOSE APPLICATIONS
25 SUBMITTED IN RESPONSE TO PROGRAM ANNOUNCEMENTS

BARRISTERS' REPORTING SERVICE

1 15-01, 15-02, AND 15-03. THE GOAL OF THIS SYSTEM IS
2 REALLY TO ADDRESS SOME OF THE CONCERNS THAT WERE
3 RAISED BY MEMBERS EARLIER TODAY. AND THAT IS TO
4 REALLY OBTAIN CLEAR DIRECTION ABOUT WHETHER TO FUND
5 A PROPOSAL, SEND IT BACK TO THE APPLICANT FOR
6 REFINEMENT AND RESUBMISSION, OR RECOMMEND AGAINST
7 FUNDING AND AGAINST RESUBMITTING THE SAME PROJECT IN
8 THE SAME FORM.

9 SO PURSUANT TO THE SYSTEM, RATHER THAN
10 ASKING THE SCIENTIFIC MEMBERS TO USE A RANGE FROM 1
11 TO 100 TO ASSIGN A SCORE TO THE APPLICATION, WE'D
12 ASK THEM, INSTEAD, TO ASSIGN A SCORE OF ONE, TWO, OR
13 THREE. A SCORE OF ONE WOULD SIGNIFY THAT THE
14 APPLICATION HAS EXCEPTIONAL MERIT AND SHOULD BE
15 FUNDED. A SCORE OF TWO WOULD MEAN THAT THE
16 APPLICATION NEEDS IMPROVEMENT AND DOESN'T WARRANT
17 FUNDING AT THIS TIME, BUT COULD BE RESUBMITTED TO
18 ADDRESS AREAS OF IMPROVEMENT NOTED BY THE GWG. AND
19 FINALLY, A SCORE OF THREE WOULD SIGNIFY THAT THE
20 APPLICATION IS SUFFICIENTLY FLAWED THAT IT DOESN'T
21 WARRANT FUNDING AND SHOULDN'T BE RESUBMITTED FOR
22 REVIEW IN THE SAME FORM.

23 AS PART OF THIS PROCESS, THE CIRM TEAM
24 WOULD TALLY THE NUMBER OF SCIENTIFIC MEMBERS WHO
25 ASSIGNED A SCORE OF ONE, TWO, AND THREE

BARRISTERS' REPORTING SERVICE

1 RESPECTIVELY, AND THEN WOULD PRESENT THAT
2 INFORMATION FOR EACH APPLICATION TO THE ENTIRE GWG.
3 IF A PLURALITY OF MEMBERS ASSIGNED A SCORE OF ONE OR
4 TWO, THEN THAT SCORE WOULD CONSTITUTE THE
5 RECOMMENDATION OF THE GWG. SO, FOR EXAMPLE, IF
6 EIGHT SCIENTISTS ASSIGN A SCORE OF ONE, SIX ASSIGNED
7 A SCORE OF TWO, AND ONE ASSIGNED A SCORE OF THREE,
8 THEN THAT APPLICATION WOULD BE PLACED IN TIER I AND
9 RECOMMENDED TO THE APPLICATION REVIEW SUBCOMMITTEE
10 FOR FUNDING.

11 WITH RESPECT TO TIER III, OR A SCORE OF
12 THREE, SINCE THE EFFECT OF ASSIGNING AN APPLICATION
13 TO TIER III WOULD BE THAT THE APPLICANT COULD NOT
14 RESUBMIT THE SAME PROJECT, WE WANTED TO HAVE A
15 SLIGHTLY HIGHER THRESHOLD THERE. SO RATHER THAN A
16 PLURALITY, WE'D REQUIRE A MAJORITY. SO EIGHT OR
17 MORE MEMBERS WOULD HAVE TO ASSIGN A SCORE OF THREE
18 BEFORE THAT APPLICATION WOULD BE ASSIGNED TO TIER
19 III, NOT RECOMMENDED FOR FUNDING.

20 IF THERE'S NO PLURALITY AND THERE'S A
21 NUMERICAL TIE BETWEEN TWO OR MORE SCORES, THEN ANY
22 MEMBER OF THE GWG COULD MAKE A MOTION TO BREAK THAT
23 TIE BY ASSIGNING THE APPLICATION TO TIER I, II OR
24 III. SO AS THE EXAMPLE SUGGESTS, IF YOU HAD SEVEN
25 VOTES IN TIER I AND SEVEN IN TIER II, A MEMBER OF

BARRISTERS' REPORTING SERVICE

1 THE GWG, FOR EXAMPLE, COULD MOVE THAT THE
2 APPLICATION BE ASSIGNED TO TIER II. AND IF THE
3 MAJORITY OF MEMBERS APPROVED THAT MOTION, THE
4 APPLICATION WOULD BE ASSIGNED TO TIER II. IF IT
5 FAILED, THEN THERE WOULD BE AN OPPORTUNITY FOR A NEW
6 MOTION.

7 WITH RESPECT TO TIER III, IF A PLURALITY
8 OF SCIENTIFIC MEMBERS ASSIGNED AN APPLICATION A
9 SCORE OF THREE, BUT LESS THAN A MAJORITY, THEN ANY
10 MEMBER OF THE GWG COULD MAKE A MOTION TO EITHER
11 ASSIGN THAT APPLICATION TO TIER II OR TIER III.
12 AGAIN, IF A MOTION WAS MADE TO ASSIGN IT TO TIER II
13 AND A MAJORITY OF THE MEMBERS VOTED IN FAVOR OF
14 THAT, THAT WOULD REPRESENT THE RECOMMENDATION OF THE
15 GRANTS WORKING GROUP.

16 WITH RESPECT TO WHAT'S PRESENTED TO THE
17 APPLICATION REVIEW SUBCOMMITTEE, THE CIRM TEAM WOULD
18 PRESENT THE GWG RECOMMENDATIONS TO THE APPLICATION
19 REVIEW SUBCOMMITTEE ALONG WITH THE DISTRIBUTION OF
20 SCORES AMONG THE THREE TIERS.

21 WE THINK THIS SYSTEM WILL PRODUCE MORE
22 CLEAR DIRECTION AND GUIDANCE FROM THE GWG AND IS
23 ALIGNED WITH THE NEW DIRECTION UNDER CIRM 2.0. SO
24 WE WOULD ASK FOR YOUR APPROVAL. I'D BE HAPPY TO
25 ANSWER ANY QUESTIONS.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: MR. JUELSGAARD.

2 DR. JUELSGAARD: MR. HARRISON, I'D LIKE TO
3 FOCUS ON SLIDES 5 AND 7. I'D LIKE TO FOCUS ON THE
4 USE OF THE WORD "PLURALITY" BECAUSE I'M NOT QUITE
5 SURE I UNDERSTAND. SO SLIDE 5 SAYS, "IF A PLURALITY
6 OF MEMBERS HAS ASSIGNED A SCORE OF ONE OR TWO, THEN
7 THAT SCORE CONSTITUTES THE RECOMMENDATION OF THE
8 GWG." AND THEN YOU SHOW IT AS BASICALLY GOING TO
9 TIER I.

10 MR. HARRISON: CORRECT.

11 DR. JUELSGAARD: SO WHAT DO YOU MEAN BY
12 PLURALITY IN THAT CASE?

13 MR. HARRISON: PLURALITY MEANS THAT THE
14 SCORE THAT HAS RECEIVED THE GREATEST NUMBER OF
15 VOTES.

16 DR. JUELSGAARD: SO DO YOU REALLY MEAN IF
17 A PLURALITY OF MEMBERS HAS ASSIGNED A SCORE OF ONE,
18 AND THEN LEAVE OUT THE "OR TWO," THEN THAT'S THE
19 RESULT?

20 MR. HARRISON: CORRECT.

21 DR. JUELSGAARD: SO THE "OR TWO" ACTUALLY
22 SHOULDN'T BE IN THERE?

23 DR. MILLS: HE MEANS THE PLURALITY RULE
24 APPLIES TO TIER I OR TIER II. THE PLURALITY DOES
25 NOT APPLY TO TIER III. YOU NEED A MAJORITY TO BE

BARRISTERS' REPORTING SERVICE

1 ASSIGNED TO TIER III. A NON-MAJORITY -- HIS EXAMPLE
2 UP HERE HAPPENS TO ALSO BE A MAJORITY, BUT YOU COULD
3 HAVE A SITUATION WHERE YOU HAD A PLURALITY TIER II
4 OR A PLURALITY TIER I THAT WASN'T A MAJORITY.

5 DR. JUELSGAARD: SO I'M STILL CONFUSED.

6 DR. LEVIN: 6-4-4 IS TIER I, 4-6-4 IS TIER
7 II, 4-4-6 IS NOT TIER II.

8 DR. JUELSGAARD: GO TO SLIDE 7. SO,
9 AGAIN, YOU SAY IF THERE'S A PLURALITY OF -- IN THIS
10 CASE THERE ISN'T A PLURALITY EVEN THOUGH WE HAVE --

11 MR. HARRISON: THIS IS THE TIE BREAKER
12 SITUATION.

13 DR. JUELSGAARD: SO FIRST OF ALL, DO YOU
14 HAVE MORE VOTES IN ONE AND TWO, RIGHT?

15 MR. HARRISON: CORRECT.

16 DR. JUELSGAARD: THAT'S STEP 1. AND THEN
17 STEP 2 IS IF YOU HAVE MORE VOTES IN ONE AND TWO,
18 THEN HOW DO YOU DECIDE BETWEEN A ONE OR A TWO IN
19 THIS CASE TO BE A TIE BREAKER?

20 MR. HARRISON: CORRECT. IF THERE IS A TIE
21 VOTE BETWEEN ONE AND TWO, THEN YOU'D HAVE A MOTION
22 TO BREAK THE TIE. OTHERWISE, IF YOU HAD A PLURALITY
23 OF VOTES IN TIER II, THEN THAT WOULD BE THE
24 RECOMMENDATION.

25 DR. JUELSGAARD: SO IN THIS CASE IF SCORE

BARRISTERS' REPORTING SERVICE

1 ONE WAS SIX VOTES, SCORE TWO WAS EIGHT, SCORE THREE
2 WAS ONE, THEN IT WOULD BE AUTOMATICALLY IN TIER II.

3 MR. HARRISON: IN TIER II. EXACTLY.

4 DR. MILLS: BUT SIMILARLY, AND I THINK THE
5 PURPOSE FOR USING PLURALITY IS THAT IF IT WAS 6-7-2,
6 YOU WOULDN'T HAVE A MAJORITY, BUT YOU WOULD HAVE A
7 PLURALITY, AND SO TIER II WOULD GO.

8 DR. LEVIN: CAN I GET A CLARIFICATION ON
9 SOMETHING WE WERE DISCUSSING EARLIER? WHEN IN THE
10 PROCESS ARE THESE SCORES ASSIGNED? AND MORE
11 IMPORTANTLY, IS THERE AN OPPORTUNITY AFTER
12 DISCUSSION AMONG GRANT WORKING GROUP MEMBERS TO
13 ADJUST THEM?

14 DR. MILLS: ABSOLUTELY. THE SCORES ARE
15 NOT FINALIZED UNTIL ALL OF THE DISCUSSION TAKES
16 PLACE AND ALL OF THE IDEAS ARE VETTED. I'LL JUST
17 SAY MY EXPERIENCE AS A GWG MEMBER, ONE OF THE THINGS
18 WHEN I WAS A MEMBER OF THAT BODY, ONE OF THE THINGS
19 I FOUND MOST IMPRESSIVE WAS HOW THE MEMBERS OF THE
20 GROUP WOULD LISTEN TO EACH OTHER AND NOT JUST DRIVE
21 AN OPINION AND SAY, WOW, I DIDN'T REALIZE THAT AND
22 ADJUST THEIR SCORES ACCORDINGLY. I DON'T KNOW IF
23 ANY OTHER MEMBERS THAT SIT ON THE GWG WANT TO
24 COMMENT TO THAT, BUT IT'S AN IMPRESSIVE --

25 MR. ROWLETT: I WOULD DITTO THAT. IN

BARRISTERS' REPORTING SERVICE

1 FACT, I THINK THIS IS A TREMENDOUS IMPROVEMENT FROM
2 THE PATIENT ADVOCATE PERSPECTIVE BECAUSE IT DOES
3 CHARGE US WITH REALLY BEING INFLUENTIAL IN THAT
4 PROCESS BECAUSE THE DISCUSSION REQUIRES US TO,
5 BECAUSE -- EVEN THOUGH WE'RE NOT SCORING, WE ARE
6 PARTICIPATING MORE ACTIVELY IN THE DISCUSSION. AND
7 SO I THINK THIS IS AN ADVANCEMENT FORWARD. I FOUND
8 MYSELF TRYING TO INFLUENCE THE PEOPLE IN MY SEATING
9 AREA RELATED TO THEIR SCORING INFORMALLY. PERHAPS I
10 SHOULDN'T SAY THAT, BUT THAT WAS MY MOTIVATION
11 BECAUSE, AS A PATIENT ADVOCATE, YOU MIGHT NOT ALWAYS
12 BE ABLE TO SPEAK TO ALL OF THE CLINICAL
13 APPLICATIONS, BUT YOU CERTAINLY UNDERSTAND THE
14 POTENTIAL IMPLICATIONS FOR ALL THE CITIZENS. SO
15 YOU'RE THINKING ABOUT THINGS LIKE THE DISTRIBUTION
16 SYSTEM AND HOW INCLUSIVE IT'S GOING TO BE, AND SO
17 YOU'RE TRYING TO INFLUENCE THAT. AND THAT
18 CONVERSATION THE PATIENT ADVOCATES, FROM THE
19 PERSPECTIVE OF ONE, WILL INJECT INTO THIS PROCESS.

20 SO DITTO. I THINK THIS IS A TREMENDOUS
21 ADVANCEMENT FORWARD. NOT THAT THE PROCESS WAS
22 FLAWED COMPLETELY, BUT YOU KNOW WHERE I'M GOING.

23 DR. HIGGINS: THIS IS A DETAIL, BUT I
24 WOULD JUST LIKE THE BOARD TO KNOW AND APPRECIATE THE
25 AMOUNT OF WORK THAT WENT INTO CREATING THIS SYSTEM

BARRISTERS' REPORTING SERVICE

1 BY THE STAFF. IF YOU'VE SEEN THE NUTS AND BOLTS OF
2 HOW THIS WORKS, THIS IS AN INCREDIBLE SYSTEM,
3 INCREDIBLY WELL AUTOMATED, WELL DESIGNED, WELL
4 THOUGHT OUT. AND I JUST WANT TO MAKE SURE THAT
5 EVERYBODY APPRECIATES THAT.

6 MR. TORRES: BRAVO.

7 (APPLAUSE.)

8 CHAIRMAN THOMAS: WELL SAID, DR. HIGGINS.
9 OTHER COMMENTS BY MEMBERS OF THE BOARD? DO I HEAR A
10 MOTION TO APPROVE?

11 MR. ROWLETT: I'LL MOVE.

12 CHAIRMAN THOMAS: SO MOVED BY MR. ROWLETT,
13 VERY EMPHATICALLY, I MIGHT ADD, AND NOT INDIRECTLY.

14 MR. TORRES: SECOND.

15 CHAIRMAN THOMAS: ANY DISCUSSION, FURTHER
16 DISCUSSION BY MEMBERS OF THE BOARD?

17 DR. LAPORTE: I JUST HAVE A QUESTION.
18 THERE WAS A LOT OF GOOD DISCUSSION EARLIER TODAY
19 ABOUT THE PROCESS PROBLEMS AND ISSUES, THE PRIOR
20 SCORING AT THE GWG. IS THE EXPECTATION HERE THAT
21 WITH THIS NEW SCORING SYSTEM, WE SHOULD SEE LESS OF
22 THAT? WONDERING HOW TO THINK ABOUT THIS GOING
23 FORWARD.

24 CHAIRMAN THOMAS: DR. MILLS WILL ADDRESS
25 THAT QUESTION.

BARRISTERS' REPORTING SERVICE

1 DR. MILLS: I THINK WITH REGARDS TO HOW --
2 THE SCORING SYSTEM IS ONE PIECE TO IT, AND THEN
3 WHAT'S DONE WITH THOSE SCORES IS AS IMPORTANT AS THE
4 SCORING SYSTEM ITSELF. AND SO BASICALLY THE CHOICE
5 THAT WAS GIVEN BEFORE WAS RECOMMENDED FOR FUNDING OR
6 DON'T RECOMMEND IT FOR FUNDING. IT WAS BINARY. IT
7 WAS UP OR DOWN.

8 WHAT WE'VE DONE HERE IS WE'VE ADDED THIS
9 TIER II OR SCORE TWO, AND TIER II IS IT'S GOOD, BUT
10 THERE ARE SOME THINGS THAT CAN BE FIXED. SO, AGAIN,
11 THE GOAL ISN'T TO SEE HOW MANY THINGS WE CAN GET
12 THROUGH OR PUT TO THE BOARD VERY DIFFICULT CHOICES
13 ABOUT THINGS THAT ARE BORDERLINE. MY REAL GOAL IS
14 TO PUT TO THE BOARD THINGS THAT WE'RE ALL
15 ENTHUSIASTICALLY SUPPORTIVE OF BECAUSE WE'VE MADE
16 THEM AS GOOD AS WE POSSIBLY CAN MAKE THEM BEFORE
17 THEY COME BEFORE YOU FOR A DECISION.

18 THAT IS NOT TO SAY THERE ARE NOT SOME
19 THINGS WHERE WE JUST CAN'T MAKE IT ANY BETTER AND
20 IT'S STILL BORDERLINE, AND THOSE ARE THE THINGS THAT
21 YOU'LL BE FACED TO BREAK THE TIE ON. BUT THE
22 SCORING SYSTEM ITSELF IS ONE PIECE OF IT.

23 HOW THE SCORING SYSTEM IS USED IS THE
24 OTHER PART. SO I REALLY DO THINK, FOR THE MOST
25 PART, THE APPLICATIONS YOU'LL BE SEEING WILL BE MADE

BARRISTERS' REPORTING SERVICE

1 AS WELL AS THEY POSSIBLY CAN BE MADE BEFORE THEY
2 COME BEFORE YOU. AND I THINK THAT WILL CLEAN UP A
3 LOT OF THIS NOISE THAT WE HAD EARLIER.

4 CHAIRMAN THOMAS: TO SUMMARIZE, YES.

5 ANY FURTHER DISCUSSION OR QUESTIONS FROM
6 MEMBERS OF THE BOARD? ANY PUBLIC COMMENT? HEARING
7 NONE, MR. HARRISON, SIMILAR VOICE VOTE PROTOCOL
8 HERE? FIRST IN THE ROOM, THEN ON THE PHONE. ALL
9 THOSE IN FAVOR PLEASE SAY AYE. OPPOSED? ANY
10 ABSTENTIONS? MARIA, PLEASE CALL THE ROLL OF THOSE
11 ON THE PHONE.

12 MS. BONNEVILLE: KATHY LAPORTE.

13 DR. LAPORTE: ABSOLUTELY.

14 MS. BONNEVILLE: DR. FINI.

15 DR. FINI: YES.

16 MS. BONNEVILLE: KRISTINA VUORI.

17 DR. VUORI: OF COURSE.

18 CHAIRMAN THOMAS: EXCELLENT NEW
19 TERMINOLOGY USED BY MEMBERS ON THE PHONE. MR.
20 HARRISON, I THINK THAT ONE PASSES WITH FLYING COLORS
21 AS WELL.

22 SO WE ARE NOW GOING TO DO A WORKING LUNCH
23 BECAUSE WE WANT TO MAKE SURE WE MAINTAIN QUORUM FOR
24 ALL ITEMS THAT WE NEED TO GET THROUGH BEFORE WE LOSE
25 ANYBODY. SO, MARIA, THE FOOD IS IN THE BACK OF THE

BARRISTERS' REPORTING SERVICE

1 ROOM. SO IF EVERYBODY COULD PLEASE GET THEIR LUNCH
2 AND PROMPTLY RETURN TO YOUR SEATS AND WE WILL
3 CONTINUE. THOSE ON THE PHONE, I HOPE YOU HAVE
4 SOMETHING TASTY TO EAT AS WELL.

5 (A RECESS WAS TAKEN.)

6 CHAIRMAN THOMAS: OKAY. WE ARE BACK LIVE
7 IN THE SONOMA ROOM. WE ARE NOW GOING TO GO TO --
8 ITEM 11 IS POSTPONED -- ITEM 12, WHICH HAS A VERY
9 LONG TITLE, BUT BASICALLY IS ABOUT OFFICE SPACE.
10 GOING TO TURN THAT OVER TO SENATOR TORRES.

11 MR. TORRES: THANK YOU. THANK YOU VERY
12 MUCH, MR. CHAIRMAN. THANK YOU VERY MUCH, RECORDING
13 SECRETARY.

14 IN 2005 CIRM ISSUED A REQUEST FOR
15 APPLICATION FROM MAJOR CITIES AROUND THE STATE TO
16 SEE WHICH CITY WOULD LIKE TO BE HOME TO CIRM. AS A
17 RESULT OF THAT, THERE WERE NO EMPLOYEES AT THE TIME,
18 SO EVERY CITY WAS AVAILABLE TO US. SO WE HAD
19 APPLICATIONS FROM SAN DIEGO, LOS ANGELES,
20 SACRAMENTO, EMERYVILLE, OAKLAND, AND SAN FRANCISCO.
21 AS A RESULT OF THAT, THOSE PRESENTATIONS WERE MADE
22 TO A MEETING OF THE BOARD OF CIRM IN FRESNO,
23 CALIFORNIA. CORRECT SO FAR BECAUSE I WAS NOT PART
24 OF THE BOARD AT THAT TIME?

25 AT THAT MEETING THEN MAYOR GAVIN NEWSOM

BARRISTERS' REPORTING SERVICE

1 MADE THE MOST GENEROUS OFFER BY OFFERING TO PROVIDE
2 CIRM WITH FREE RENT FOR TEN YEARS, FREE PARKING FOR
3 TEN YEARS, FREE MAINTENANCE COSTS FOR TEN YEARS, AND
4 FREE HOTEL ROOMS TO THE TUNE OF 2400 HOTEL ROOMS AND
5 14,000 HOTEL ROOMS AT A DISCOUNT IN SAN FRANCISCO
6 FOR MANY OF THE SPEAKERS THAT WE WOULD INVITE AND
7 OBVIOUSLY THE REVIEWERS THAT WE WOULD HAVE FOR GRANT
8 REVIEW ISSUES.

9 WELL, THAT DAY IS OVER, AND THE LEASE RUNS
10 OUT OCTOBER 31ST, 2015. AS A RESULT, I MADE THE
11 FIRST INITIATIVE TO CONTACT A REAL ESTATE AGENT WITH
12 COLDWELL BANKER ON APRIL 14, 2014, TO BEGIN THE
13 PROCESS TO LOOK FOR POTENTIAL OFFICE SPACE. THE
14 FIRST PRIORITY, AS MR. JUELSGAARD AND I DISCUSSED,
15 LET'S GET SOMETHING FREE AND MOVE FROM THERE. I
16 DON'T THINK THAT, MUCH TO OUR MUTUAL WISHES, WE'RE
17 GOING TO GET ANYTHING FOR FREE AGAIN.

18 ALSO, WE HAVE EMPLOYEES NOW THAT WE NEED
19 TO BE CONCERNED ABOUT IN TERMS OF WHERE THEY LIVE,
20 HOW THEY GET TO WORK, THEIR SAFETY, AND THEIR
21 ABILITY TO LIVE IN AN ENVIRONMENT OF WORK WHICH IS
22 ACCESSIBLE TO DISABLED AND THE HANDICAPPED WHICH IS
23 SAFE AND WHICH IS AN ENVIRONMENT THAT THEY CAN
24 CONTINUE TO DO THE GREAT WORK THAT ARE OUR STAFF
25 DOES.

BARRISTERS' REPORTING SERVICE

1 THE SUBCOMMITTEE OF OUR GOVERNANCE
2 COMMITTEE HELD A HEARING A FEW MONTHS AGO AND
3 OUTLINED A SERIES OF CRITERIA THAT WE SHOULD UTILIZE
4 IN LOOKING FOR NEW OFFICE SPACE. AND THAT CRITERIA
5 WAS ESTABLISHED IN CONJUNCTION WITH THE GOVERNANCE
6 SUBCOMMITTEE MEMBERS AS WELL AS WITH OUR CHAIR AND
7 PRESIDENT AND SOME CIRM TEAM MEMBERS, MANY OF WHOM
8 CONTRIBUTED THEIR IDEAS AND THEIR PERSPECTIVES.
9 AGAIN, I WANT TO THANK A NUMBER OF THE BOARD
10 MEMBERS, ESPECIALLY BOARD MEMBER JUELSGAARD, FOR
11 GIVING US SOME PERSPECTIVES OF WHAT WE SHOULD BE
12 LOOKING FOR.

13 AS A RESULT OF THAT, THIS WILL ALLOW US, I
14 THINK, TO MOVE EFFICIENTLY AND OPPORTUNISTICALLY
15 GUIDED BY THE CRITERIA, WHICH IS ITEM NO. 2 IN YOUR
16 PAMPHLET, ITEM NO. 12, BUT PAGE 3 OF YOUR BOARD
17 PAMPHLET.

18 THE RECOMMENDATION BY THE BOARD -- BY THE
19 SUBCOMMITTEE WAS TO DELEGATE AUTHORITY FOR THE
20 NEGOTIATION AND EXECUTION OF A LEASE FOR NEW OFFICE
21 SPACE IN THE BAY AREA ALONG WITH NEGOTIATION AND
22 EXECUTION OF OTHER CONTRACTS NECESSARY FOR OUR
23 RELOCATION.

24 I CANNOT EMPHASIZE ENOUGH THAT WE HAVE
25 SAVED THE TAXPAYERS A LITTLE OVER 12 MILLION OVER

BARRISTERS' REPORTING SERVICE

1 THIS TEN-YEAR PERIOD BECAUSE WE DID NOT PAY RENT, WE
2 DID NOT PAY FOR MAINTENANCE COSTS, AND WE DID NOT
3 PAY FOR PARKING. AND I BELIEVE THAT THIS
4 INSTITUTION OUGHT TO BE GIVEN CREDIT FOR THAT
5 BECAUSE NO OTHER STATE AGENCY CAN CLAIM, NO. 1, THAT
6 IT HAS CREATED 38,000 NEW JOBS, THAT IT BRINGS IN A
7 POTENTIAL OF 214 MILLION IN NEW REVENUE TO THE STATE
8 OF CALIFORNIA, AND SAVED THE STATE 12 MILLION
9 BECAUSE OF THE GENEROSITY AND THE VISION OF OUR
10 CURRENT LIEUTENANT GOVERNOR WHEN HE WAS MAYOR OF SAN
11 FRANCISCO.

12 SO THIS RECOMMENDATION IS PRETTY
13 STRAIGHTFORWARD, AND I OPEN IT UP TO DISCUSSION, MR.
14 CHAIRMAN.

15 CHAIRMAN THOMAS: MS. WESTON.

16 DR. WESTON: DO YOU HAVE ANY IDEA WHAT THE
17 RANGE OF RENTS WOULD LIKELY BE?

18 MR. TORRES: WHEN WE STARTED OUT, THE
19 RANGE WAS AT ONE LEVEL, WHICH WAS 56 TO \$60 A SQUARE
20 FOOT IN SAN FRANCISCO BECAUSE THAT WAS AT LEAST MY
21 PREFERENCE, AND IN WORKING WITH THE MAYOR AND OTHER
22 PHILANTHROPISTS IN SAN FRANCISCO TO SEE IF WE COULD
23 FULFILL MR. JUELSGAARD'S WISHES AND DREAMS OF FREE
24 RENTAL SPACE AND PARKING. AS WE PROCEEDED THROUGH
25 THE PROCESS, THOSE RENTS INCREASED IN SAN FRANCISCO.

BARRISTERS' REPORTING SERVICE

1 IN OAKLAND THE VARIABLES WERE \$46 A SQUARE
2 FOOT AND ABOUT \$280 A MONTH FOR EMPLOYEE PARKING.
3 IN THE CITY OF EMERYVILLE, WHICH SURPASSED LOS
4 ANGELES TEN YEARS AGO WHEN THEY'RE PRESENTED THEIR
5 PROPOSAL, THEY ARE STILL COMING BACK TO US WITH AN
6 AMOUNT PER SQUARE FOOT, AND I'M SURE IT WILL BE LESS
7 THAN OAKLAND, BUT THEIR PROPOSAL FOR PARKING WAS
8 ANYWHERE BETWEEN \$75 TO \$90 A MONTH IN EMERYVILLE.
9 WE ALSO LOOKED AT PROPERTY IN SOUTH SAN FRANCISCO,
10 AND THAT PROPERTY WAS, AGAIN, COMPETITIVE WITH THE
11 RATES THAT WE SAW IN OAKLAND AND EMERYVILLE.

12 THE OTHER FACTORS THAT WE TOOK INTO MIND
13 WAS TRANSPORTATION ISSUES. HOW CLOSE ARE THESE
14 OFFICES GOING TO BE TO BART? RIGHT NOW WE'RE PRETTY
15 WELL SITUATED WITH CAL. TRAIN STOPPING AT 4TH
16 STREET, AND IT'S ABOUT A THREE-MINUTE WALK TO OUR
17 HEADQUARTERS, PEOPLE BEING ABLE TO CATCH BART BY
18 MUNI EXTENSION JUST ACROSS THE STREET AND GETTING TO
19 THE EAST BAY AND OTHER PARTS OF THE BART SYSTEM;
20 WHEREAS, THOSE PEOPLE WHO LIVE IN MARIN HAVE A MORE
21 DIFFICULT TIME IN ACCESSING PUBLIC TRANSPORTATION
22 UNLESS THEY GET ON A FERRY OR DRIVE IN.

23 SO THOSE WERE THE RATES THAT WE WERE
24 LOOKING AT, AND WE STILL HAVEN'T RECEIVED FINAL
25 COUNTEROFFERS TO ANY OF THESE PROPOSALS THAT I'VE

BARRISTERS' REPORTING SERVICE

1 CITED, AND THAT'S WHAT WE'RE WAITING FOR TO
2 DETERMINE JUST WHAT THOSE RATES WILL BE ON PARKING,
3 MAINTENANCE COSTS.

4 THE OTHER FACTOR, WHICH MR. JUELSGAARD AND
5 I DISCUSSED AS WELL AS WITH THE CHAIRMAN AND WITH
6 OUR PRESIDENT, WAS CAN WE FIND OFFICE SPACE THAT
7 WOULD ALLOW US TO HOLD OUR BOARD MEETINGS IN THAT
8 OFFICE SPACE? CAN WE SAVE MONEY THAT WAY AS WELL BY
9 NOT HAVING TO PAY FOR HOTEL SPACE AS WELL AS FOR OUR
10 GRANT REVIEW SESSIONS AS WELL AS FOR OUR BOARD. AND
11 THOSE ARE FACTORS THAT WE'VE PUT FORWARD IN OUR
12 DISCUSSIONS WITH THE THREE CITIES THAT WE'RE TALKING
13 ABOUT AND TO SEE WHAT THEY COME BACK WITH.

14 SO WE MET PRELIMINARILY. MY FIRST VENTURE
15 SINCE MY SURGERY WAS MONDAY, AND WE HAD AN EXCELLENT
16 MEETING WITH THE NEW MAYOR OF OAKLAND AND HER STAFF,
17 AND BERT LUBIN, ONE OF OUR BOARD MEMBERS, WAS THERE
18 AS WELL WHO KNOWS THE NEW MAYOR VERY WELL. OUR
19 PRESIDENT, MARIA BONNEVILLE, AS WELL AS OUR CHAIR,
20 J.T., AND OUR REAL ESTATE BROKER WERE ALL PRESENT AT
21 THAT MEETING.

22 WE THEN HAD A MEETING WITH THE CITY
23 MANAGER OF EMERYVILLE TO DISCUSS WHAT POTENTIAL WAS
24 THERE. EMERYVILLE WAS JUST CREATED INTO A CHARTER
25 CITY IN THE NOVEMBER ELECTION 2014, WHICH MEANS THAT

BARRISTERS' REPORTING SERVICE

1 THE CITY MANAGER IS ESSENTIALLY THE MAYOR AND MAKES
2 ALL ADMINISTRATIVE DECISIONS. SO WE SAT DOWN WITH
3 HER, AND THEN WE FOUND OUT SHE'S JUST BEEN RECRUITED
4 TO BECOME THE CITY MANAGER FOR OAKLAND. SO WE'LL
5 SEE WHAT KIND OF ALTERNATIVE OFFER HE OR SHE MAY
6 BRING FORWARD.

7 SO WE EXPLORED EVERY SUGGESTION THAT WAS
8 GIVEN TO ME BY STAFF IN THE HALLWAYS, IN THE
9 KITCHEN, AND SOMETIMES IN THE MEN'S RESTROOM, HAVE
10 YOU CHECKED OUT THIS SPACE, HAVE YOU CHECKED OUT
11 THAT SPACE, TO THE POINT WHERE I ALMOST WANT TO GET
12 A REAL ESTATE LICENSE. BUT THE FACT OF THE MATTER
13 IS THIS IS WHERE WE'RE AT IN TERMS OF THE POTENTIAL
14 SPACE. AND NOW WE'RE AWAITING TO GET RESPONSES BACK
15 FROM THESE CITIES TO SEE WHAT ELSE THEY CAN PROVIDE.

16 THE MAYOR OF OAKLAND TOOK INTO
17 CONSIDERATION HOTEL ROOMS AND WHAT KIND OF SPACE IS
18 THERE. AND I DON'T WANT TO GET INTO TOO MANY OTHER
19 DETAILS OTHER THAN TO SAY THEY'RE LOOKING AT
20 WHATEVER ALTERNATIVES THEY CAN COME UP WITH THAT
21 WILL HELP US THROUGH THIS PROCESS. THERE'S NO
22 QUESTION I'M SURE THE GOVERNOR WOULD WANT US TO BE
23 IN OAKLAND SINCE THAT'S HIS HOME CITY, BUT THAT
24 STILL REMAINS TO BE SEEN IN TERMS OF WHAT IS THE
25 BEST OFFER THAT WE CAN LOOK AT IN TERMS OF AN

BARRISTERS' REPORTING SERVICE

1 AGENCY.

2 MR. SHEEHY: I'D LIKE TO MAKE MOTION TO
3 ADOPT THIS, TO MOVE THIS, BUT WITH A MINOR
4 AMENDMENT. I WOULD ALSO LIKE TO TASK THE PRESIDENT
5 WITH CONSIDERING A COMPENSATION, A TEAMWIDE
6 COMPENSATION BECAUSE WHAT'S GOING TO HAPPEN -- LET
7 ME EXPLAIN. IF WE MOVE, SOME OF THESE FOLKS WHO
8 HAVE BEEN JUST ASTONISHING IN -- THE AMOUNT OF
9 CHANGE WE'VE GONE THROUGH, THE WAY THE TEAM MEMBERS
10 HAVE ADAPTED, AND THE WAY THAT MANY OF THEM HAVE
11 CARRIED US FORWARD FOR OUR ENTIRE MISSION, SOME
12 PEOPLE COULD END UP BEING IN REAL TERMS RECEIVING
13 LESS MONEY BECAUSE THEIR COMMUTE CHANGES. THEY HAVE
14 TO GO OVER A BRIDGE. THEY MAY HAVE TO TAKE A
15 DIFFERENT PATH.

16 AND SO THAT NO MEMBER OF OUR TEAM ENDS UP
17 MAKING LESS TOMORROW THAN TODAY BECAUSE OF SOMETHING
18 THEY HAD NO CONTROL OVER, IF THE PRESIDENT CAN
19 CONSIDER SOME SORT OF POLICY, INDEPENDENT OF MERIT
20 OR COST OF LIVING RAISES, TO MAKE SURE THAT FOLKS
21 ARE NOT HARMED. AND TO BE FAIR, I THINK IT PROBABLY
22 SHOULD BE ACROSS THE BOARD SO THAT WE'RE NOT PAYING
23 FOR PEOPLE'S COMMUTES DIRECTLY, BUT MORE OR LESS AS
24 A RECOGNITION OF JUST THE INCREDIBLE WORK THIS TEAM
25 HAS DONE, THAT THEY HAVE PUT UP WITH A LOT OF NEW

BARRISTERS' REPORTING SERVICE

1 THINGS. AND NOT ONLY HAVE THEY PUT UP WITH IT,
2 THEY'VE ACCEPTED IT, THEY'VE THRIVED, AND THEY'RE
3 LEADING US INTO THE CIRM 2.0, AND THEY'RE
4 IRREPLACEABLE.

5 AND I JUST, AS SOMEBODY WHO WORKS FOR
6 PEOPLE, THE IDEA THAT I WOULD WAKE UP ON MONDAY AND
7 HAVE A SUBSTANTIAL -- A BIT LESS MONEY IN MY POCKET
8 FOR DOING THE SAME JOB JUST DOESN'T REALLY STRIKE ME
9 AS THE WAY WE SHOULD BE REWARDING THIS INCREDIBLE
10 TEAM.

11 MR. TORRES: I TOTALLY AGREE, NO. 1. NO.
12 2, THAT'S WHY WE TOOK INTO CONSIDERATION, BECAUSE
13 YOU AND I TALKED ABOUT THIS AS WELL, JEFF, HOW TO
14 MAKE SURE THAT WE LOOK AT POTENTIAL OFFICE SPACE
15 THAT IS ACCESSIBLE TO BART OR SOME OTHER SHUTTLES
16 THAT WON'T INCREASE THE COST OF GETTING TO THE
17 OFFICE.

18 THE ISSUE OF PARKING IS GOING TO BE A
19 MAJOR ISSUE, BUT I'D LIKE TO ASK MR. HARRISON, IF I
20 MAY, JUST WHAT IS THE AUTHORITY THAT WE HAVE AS A
21 STATE AGENCY TO PROVIDE FOR THE TYPE OF
22 COMPENSATION -- NOT COMPENSATION, BUT THE TYPE OF
23 RELIEF THAT JEFF IS PROPOSING.

24 MR. HARRISON: SO I THINK YOU'RE RIGHT
25 ACTUALLY TO THINK OF IT AS COMPENSATION. AND

BARRISTERS' REPORTING SERVICE

1 ULTIMATELY THE BOARD HAS THE AUTHORITY TO SET
2 COMPENSATION, WHICH INCLUDES BENEFITS, AT LEVELS
3 SIMILAR TO THOSE PAID FOR EMPLOYEES IN EQUIVALENT
4 POSITIONS AT THE NONPROFIT INSTITUTIONS THAT ARE
5 REPRESENTED ON THIS BOARD, INCLUDING THE UNIVERSITY
6 OF CALIFORNIA AND THE PRIVATE NONPROFIT RESEARCH
7 INSTITUTIONS. SO THOSE ARE COMPARATORS, AND THAT'S
8 WHAT WE'RE CHARGED WITH EVALUATING.

9 MR. TORRES: SO WE COULD LEGALLY PROVIDE
10 THAT IRRESPECTIVE OF MERIT INCREASE AND THE OTHER
11 USUAL PANOPLY OF COMPENSATION INCREASES?

12 MR. HARRISON: SO THERE ARE TWO DIFFERENT
13 WAYS TO LOOK AT IT. GENERALLY THE BOARD HAS
14 ESTABLISHED A RANGE OF COMPENSATION FOR EACH
15 POSITION AT CIRM BASED ON THE COMPENSATION OFFERED
16 FOR PEOPLE IN SIMILAR POSITIONS AT OUR COMPARATOR
17 INSTITUTIONS. WE USUALLY TRY TO TARGET ABOUT 80
18 PERCENT OF THE RANGE FOR SALARY. SO WE MAY HAVE
19 SOME ROOM THERE. I THINK WE HAVE TO TAKE A LOOK AT
20 THAT. AND THEN ALSO TO THE EXTENT WE'RE LOOKING AT
21 PARKING SEPARATE, THE DEGREE TO WHICH OUR COMPARATOR
22 INSTITUTIONS OFFER PARKING AS PART OF A BENEFIT
23 PACKAGE

24 MR. TORRES: AT THIS POINT NO STATE AGENCY
25 OFFERS PARKING.

BARRISTERS' REPORTING SERVICE

1 MR. HARRISON: THAT'S CORRECT.

2 MR. TORRES: MR. CHAIRMAN, YOU'RE THE
3 CHAIR IN THIS.

4 CHAIRMAN THOMAS: JUST SPEAKING TO MS.
5 WINOKUR.

6 MR. TORRES: MR. JUELSGAARD.

7 DR. JUELSGAARD: SO, SENATOR TORRES, WHEN
8 YOU SAY NO STATE AGENCY OFFERS PARKING, LET'S JUST
9 TAKE THE UC SYSTEM FOR A MOMENT. SO WHEN PROFESSORS
10 OR INSTRUCTORS COME TO TEACH AT THAT INSTITUTION ON
11 A DAILY BASIS AND THEY DRIVE IN FROM SOMEWHERE,
12 ISN'T PARKING PROVIDED? AREN'T THERE ON-SITE
13 PARKING STRUCTURES?

14 MR. TORRES: NO.

15 DR. JUELSGAARD: OH, LINDA, HOW LUCKY YOU
16 HAVE IT.

17 MR. TORRES: I MIGHT WANT TO REMIND YOU
18 NOT UNTIL THE LATE 1980S WAS THE LEGISLATURE
19 PROVIDED HEALTHCARE BENEFITS. I WAS COVERED UNDER
20 MY FORMER WIFE'S CONTRACT FOR HEALTHCARE BENEFITS.
21 SO IT WASN'T UNTIL THE LATE 1980S THAT EVEN THE
22 LEGISLATURE WAS PROVIDED HEALTH BENEFITS, AND
23 CLEARLY STATE EMPLOYEES WERE NOT PROVIDED PARKING.

24 CHAIRMAN THOMAS: DR. LEVIN.

25 DR. LEVIN: THANK YOU. CAN I JUST SAY I

BARRISTERS' REPORTING SERVICE

1 THINK THIS IS A GREAT THING TO POINT OUT TO
2 CONSIDER; BUT AS WE'VE DISCUSSED IN PRIOR YEARS JUST
3 IN TERMS OF WHAT THE BOARD'S AUTHORITY IS OR SHOULD
4 BE AND PUBLIC PERCEPTION, THAT THIS KIND OF GETS
5 DOWN INTO THE WEEDS OF MANDATING POLICY FOR CIRM
6 ITSELF. AND I THINK WE SHOULD PROBABLY LEAVE IT AS
7 A SUGGESTION TO THE PRESIDENT AND LET HIM DEAL WITH
8 THE WORKINGS OF HIS OFFICE BECAUSE THIS REALLY IS A
9 STAFF --

10 MR. TORRES: THAT WAS THE NATURE OF MR.
11 SHEEHY'S RECOMMENDATION.

12 DR. LEVIN: WE STARTED TALKING ABOUT WHAT
13 OUR AUTHORITY IS TO SET THINGS. IT SEEMS TO ME
14 OVERREACHING TO GO DOWN AND TO STIPULATE THAT CIRM
15 SHOULD PROVIDE THIS COMPENSATION FOR THIS THING OR
16 THIS FOR THAT FOR ITS STAFF.

17 MR. SHEEHY: THAT WAS NOT ACTUALLY WHAT I
18 WAS SAYING. I WAS JUST ASKING THE PRESIDENT TO
19 CONSIDER IF -- I DON'T KNOW WHERE WE'RE GOING TO END
20 UP; BUT IF THIS ENDS UP BECOMING SOMETHING THAT
21 HAPPENS, WITHOUT SPECIFYING OR I THINK THE WORD I
22 USED WAS CONSIDER, SO THAT'S ALL. AND WHAT I WANTED
23 TO DO IS GIVE SUPPORT TO THE PRESIDENT IF HE FELT
24 THAT THIS WAS SOMETHING -- WE MAY HAVE RETENTION
25 ISSUES. IF YOU'RE TALKING GOING FROM SAN FRANCISCO

BARRISTERS' REPORTING SERVICE

1 TO -- I MEAN SOME OF THESE PLACES, GETTING AROUND
2 THE CITY CAN BE A CHALLENGE. AND THESE ARE
3 EXTREMELY TALENTED PEOPLE WE HAVE. IT'S NOT LIKE
4 THERE ARE OTHER PEOPLE WHO WOULDN'T WANT TO HIRE
5 THEM. AND WE HAVE PEOPLE WITH FAMILIES. IT'S JUST
6 NOT EASY TO GET AROUND THE BAY AREA.

7 SO WHAT I'M TRYING TO DO IS, FIRST AS A
8 BOARD MEMBER, IS RECOGNIZE THE INCREDIBLE -- THIS IS
9 JUST ONE THING. OUR TEAM HAS ADAPTED SO GRACEFULLY
10 AND WITH SUCH EFFORT, I THINK THAT WE SHOULD
11 RECOGNIZE THAT INDEPENDENTLY IN MY OWN MIND, BUT I
12 WANT TO GIVE DIRECTION -- GIVE SUPPORT TO THE
13 PRESIDENT IF THIS IS SOMETHING THAT HE FEELS LIKE IS
14 USEFUL AS WE MAKE THIS TRANSITION. THAT'S THE
15 LIMIT, JUST TO PUT SOMETHING ON AS A BOARD TO MAKE
16 THAT STATEMENT.

17 DR. MILLS: THAT'S APPRECIATED, NOT JUST
18 BY ME, THE SUPPORT TO BE ABLE TO DO IT AND TO TAKE
19 CARE OF THE TEAM AND THE RECOGNITION OF THEIR WORK
20 ON BEHALF OF THEM. THANK YOU.

21 CHAIRMAN THOMAS: OKAY. SO, MR. SHEEHY,
22 PERHAPS COULD YOU RESTATE YOUR MOTION? I DON'T
23 THINK WE'VE HAD A SECOND ON IT YET.

24 MR. HARRISON: SO THE MOTION IS TO
25 DELEGATE AUTHORITY FOR THE NEGOTIATING AND EXECUTION

BARRISTERS' REPORTING SERVICE

1 OF A LEASE FOR NEW OFFICE SPACE IN THE BAY AREA
2 ALONG WITH OTHER CONTRACTS NECESSARY FOR CIRM'S
3 RELOCATION TO THE CIRM PRESIDENT IN CONSULTATION
4 WITH THE CHAIR AND VICE CHAIR AND TO TASK THE
5 PRESIDENT WITH CONSIDERING A POLICY TO ENSURE THAT
6 TEAM MEMBERS ARE NOT FINANCIALLY HARMED BY THE
7 RELOCATION.

8 MR. SHEEHY: AND THIS WOULD BE INDEPENDENT
9 OF MERIT OR COST OF LIVING RAISES THAT MAY OR MAY
10 NOT BE IN THE WORKS.

11 CHAIRMAN THOMAS: OKAY. SO THAT'S THE
12 MOTION. DO WE HAVE A SECOND?

13 MR. ROWLETT: SECOND.

14 CHAIRMAN THOMAS: SECONDED BY MR. ROWLETT.
15 FURTHER DISCUSSION BY MEMBERS OF THE BOARD?

16 DR. PRIETO: WELL, I THINK THIS IS -- I
17 GUESS THERE'S NOT A PRECEDENT, FROM WHAT I
18 UNDERSTAND, FOR AN EMPLOYER TO OFFER FREE OR REDUCED
19 TRANSIT TO EMPLOYEES. CERTAINLY THAT EXISTS IN THE
20 PRIVATE SECTOR. I GUESS THERE'S NOT A PRECEDENT IN
21 STATE GOVERNMENT FOR THAT. MAYBE MR. HARRISON CAN
22 CORRECT ME.

23 MR. HARRISON: CIRM DOES HAVE A PUBLIC
24 TRANSIT PROGRAM.

25 DR. PRIETO: THAT WE PROVIDE?

BARRISTERS' REPORTING SERVICE

1 MR. TORRES: PUBLIC TRANSIT.

2 DR. PRIETO: WE FUND IT. BUT NOT PARKING.

3 MR. HARRISON: THAT'S RIGHT. PARKING WAS
4 OFFERED, AS SENATOR TORRES SAID, AS PART OF THE FREE
5 OFFICE SPACE.

6 CHAIRMAN THOMAS: OTHER COMMENTS,
7 QUESTIONS FROM MEMBERS OF THE BOARD? ANY PUBLIC
8 COMMENT? MR. REED. HOLD ON ONE SECOND, MR. REED.
9 MS. MILLER.

10 MS. MILLER: A CLARIFICATION ON IT. SO A
11 YES VOTE WOULD MEAN THAT YOU WOULD CONSIDER FUNDING
12 A PROGRAM LIKE THAT, NOT NECESSARILY THAT YOU WOULD
13 BE FUNDING IT?

14 MR. HARRISON: CORRECT.

15 MS. MILLER: OKAY.

16 MR. REED: TWO SUGGESTIONS ABOUT WHICH I
17 KNOW ALMOST NOTHING.

18 MR. TORRES: NOT THE FIRST TIME, DON.

19 MR. REED: I WAS GOING TO SAY THAT. FIRST
20 OFF, I WOULD LOVE TO SEE SOME KIND OF A STATUE TO
21 MEMORIALIZE THE TREMENDOUS EFFORT OF THE CALIFORNIA
22 STEM CELL PROGRAM. I'D LOVE TO SEE A STATUE, I
23 DON'T KNOW, SOMETHING WONDERFUL, SOMEBODY HELPING A
24 CHILD OUT OF A WHEELCHAIR. IF PEOPLE COULD GO AND
25 SEE AND TOUCH, EVEN IF THEY'VE NEVER BEEN TO A

BARRISTERS' REPORTING SERVICE

1 MEETING, BUT THEY CAN SEE AND TOUCH THIS. I'D LOVE
2 TO SEE -- MAYBE HAVE A LOCAL ARTIST CONTEST,
3 SOMETHING WHICH SUMMARIZES THE DREAM OF CIRM. I'D
4 LOVE TO SEE THAT.

5 SECONDLY, I WONDER IF IT'S POSSIBLE, AS WE
6 LOOK FOR NEW OFFICE SPACE, TO CONSIDER A MILITARY
7 BASE. THEY MAY HAVE BUILDINGS THAT WORK FOR US, BUT
8 ARE NOT DOING ANYTHING. MAY BE A POSSIBILITY.

9 CHAIRMAN THOMAS: THANK YOU FOR YOUR
10 COMMENTS, MR. REED. OTHER COMMENTS FROM MEMBERS OF
11 THE PUBLIC? MR. HARRISON, THIS IS ANOTHER VOICE
12 VOTE, I PRESUME. FIRST IN THE ROOM, ALL THOSE IN
13 FAVOR PLEASE SAY AYE. OPPOSED? ABSTENTIONS?
14 MARIA, ROLL OF THOSE ON THE PHONE.

15 MS. BONNEVILLE: KATHY LAPORTE.

16 DR. LAPORTE: AYE.

17 MS. BONNEVILLE: ELIZABETH FINI. KRISTINA
18 VUORI.

19 DR. VUORI: YES.

20 CHAIRMAN THOMAS: THAT ITEM PASSES. ON TO
21 THE NEXT ITEM, ITEM 13, CONSIDERATION OF APPOINTMENT
22 OF NEW SCIENTIFIC MEMBERS AND PATIENT ADVOCATE
23 MEMBER TO THE GRANTS WORKING GROUP. DR. SAMBRANO
24 FOLLOWED BY J.T.

25 DR. SAMBRANO: THANK YOU, MR. CHAIRMAN.

BARRISTERS' REPORTING SERVICE

1 SO WE'RE BRINGING FOR YOUR CONSIDERATION TWO
2 NOMINEES FOR MEMBERSHIP INTO THE GRANTS WORKING
3 GROUP. THESE ARE THE SCIENTIFIC MEMBERS WHO ARE
4 BRINGING EXPERTISE IN CLINICAL OPERATIONS, STEM CELL
5 DEVELOPMENT, IMMUNOLOGY, AND CANCER. THE BRIEF
6 BIOGRAPHIES OF THE TWO INDIVIDUALS FOR CONSIDERATION
7 HAVE BEEN MADE AVAILABLE TO YOU. THEY ARE DR. LINDA
8 CUSTER AND DR. CASSIAN YEE.

9 CHAIRMAN THOMAS: DO I HEAR A MOTION TO
10 APPROVE?

11 DR. PRIETO: SO MOVED.

12 CHAIRMAN THOMAS: MOVED BY DR. PRIETO.

13 MR. JUELSGAARD: SECOND.

14 CHAIRMAN THOMAS: SECONDED BY MR.
15 JUELSGAARD. DISCUSSION FROM MEMBERS OF THE BOARD?
16 PUBLIC COMMENT? ALL THOSE IN FAVOR PLEASE SAY AYE.
17 OPPOSED? ABSTENTIONS? MARIA.

18 MS. BONNEVILLE: KATHY LAPORTE.

19 DR. LAPORTE: YES.

20 MS. BONNEVILLE: ELIZABETH FINI.

21 DR. FINI: YES.

22 MS. BONNEVILLE: KRISTINA VUORI.

23 DR. VUORI: YES.

24 CHAIRMAN THOMAS: THANK YOU. THE
25 ADDITIONAL WE NEED TO CONSIDER IS PATIENT ADVOCATE

BARRISTERS' REPORTING SERVICE

1 LAUREN MILLER TO JOIN THIS AUGUST GROUP. DO I HEAR
2 A MOTION THAT SHE BE APPOINTED AS WELL?

3 DR. HIGGINS: SO MOVED.

4 DR. BURTIS: SECOND.

5 CHAIRMAN THOMAS: MOVED BY DR. HIGGINS,
6 SECONDED BY DR. BURTIS. DISCUSSION BY MEMBERS OF
7 THE BOARD? PUBLIC COMMENT? ROLL CALL VOTE. ALL IN
8 THE ROOM IN FAVOR PLEASE SAY AYE. OPPOSED?
9 ABSTENTIONS? MARIA.

10 MS. BONNEVILLE: KATHY LAPORTE.

11 DR. LAPORTE: YES.

12 MS. BONNEVILLE: ELIZABETH FINI.

13 DR. FINI: YES.

14 MS. BONNEVILLE: KRISTINA VUORI.

15 DR. VUORI: YES.

16 CHAIRMAN THOMAS: OKAY. THAT PASSES AS
17 WELL. THANK YOU.

18 ON TO ITEM 14, CONSIDERATION OF POLICY TO
19 EXTEND WORKER'S COMP COVERAGE TO CIRM VOLUNTEERS.
20 MR. HARRISON.

21 MR. HARRISON: SO OVER THE YEARS CIRM HAS
22 BENEFITED FROM THE SERVICES OF VOLUNTEERS RANGING
23 FROM SCIENTISTS TO ATTORNEYS TO STUDENT INTERNS. IN
24 TOTAL WE'VE HAD 27 INDIVIDUALS WHO VOLUNTEERED THEIR
25 TIME TO THE AGENCY. HISTORICALLY WE HAVE OFFERED TO

BARRISTERS' REPORTING SERVICE

1 PROVIDE WORKERS' COMPENSATION COVERAGE TO THESE
2 INDIVIDUALS IN RECOGNITION OF THE FACT THAT THEY ARE
3 HELPING TO ADVANCE CIRM'S MISSION. AND THAT AS AN
4 AGENCY THAT CARES ABOUT PATIENTS, IT'S IMPORTANT FOR
5 US TO PROTECT THEM IN THE EVENT THAT THEY'RE INJURED
6 WHILE VOLUNTEERING ON OUR BEHALF.

7 THE CALIFORNIA DEPARTMENT OF HUMAN
8 RESOURCES, HOWEVER, RECENTLY ADVISED US THAT IN
9 ORDER TO CONTINUE EXTENDING WORKERS' COMPENSATION
10 COVERAGE TO OUR VOLUNTEERS, WE NEEDED YOUR APPROVAL
11 IN ORDER TO DO SO.

12 SO WE WOULD ASK FOR YOUR VOTE TODAY TO
13 EXTEND WORKERS' COMPENSATION COVERAGE TO CIRM
14 VOLUNTEERS. I'D BE HAPPY TO ANSWER ANY QUESTIONS.

15 DR. JUELSGAARD: SO, JAMES, AT THE STATE
16 LEVEL IS WORKMAN'S COMPENSATION PROVIDED THROUGH AN
17 INSURANCE ARRANGEMENT?

18 MR. HARRISON: CORRECT. IT'S PROVIDED
19 THROUGH THE STATE COMPENSATION INSURANCE FUND.

20 DR. JUELSGAARD: SO IS IT THAT THE MORE
21 EMPLOYEES OR THE MORE PEOPLE YOU COVER, THE GREATER
22 THE AMOUNT OF PREMIUM THAT YOU WIND UP PAYING?

23 MR. HARRISON: I'M LOOKING FOR CHILA
24 SILVA-MARTIN. I ACTUALLY DON'T BELIEVE THAT IT WILL
25 HAVE AN EFFECT ON CIRM'S TOTAL PAYMENTS UNLESS WE

BARRISTERS' REPORTING SERVICE

1 ACTUALLY HAVE A VOLUNTEER WHO TAKES ADVANTAGE OF THE
2 POLICY. TO DATE WE HAVE NOT.

3 CHAIRMAN THOMAS: THERE'S CHILA COMING
4 RIGHT NOW, JAMES.

5 MR. TORRES: MR. CHAIRMAN, THIS IS A TREND
6 THAT IS OCCURRING WITH A LOT OF NON-PROFITS AND
7 VOLUNTEER ORGANIZATIONS WHERE THE NONPROFIT HAS TO
8 PROTECT ITSELF IN TERMS OF VOLUNTEERS WHO MAY BE
9 INJURED AS THEY'RE GIVING TIME. WE'RE DOING THAT
10 NOW WITH ONE LEGACY, THE OTHER BOARD THAT I SIT ON
11 FOR ORGAN TRANSPLANTATION WHERE WE HAVE WHAT'S
12 CALLED AMBASSADORS, AND A LOT OF THEM HELP IN
13 DEVELOPING THE ROSE PARADE FLOAT. WE'VE HAD A
14 NUMBER OF ACCIDENTS, AND NOW WE REALIZE WE'VE GOT TO
15 HAVE THEM COVERED. OTHERWISE WE'RE GOING TO BE IN
16 TREMENDOUS LIABILITY.

17 MR. HARRISON: MR. JUELSGAARD, TO CLARIFY,
18 WE DON'T ACTUALLY PAY ANY PREMIUM. THE AGENCY WOULD
19 ONLY PAY IF AND WHEN A VOLUNTEER IS INJURED.

20 DR. JUELSGAARD: THEN IT ISN'T INSURANCE.

21 MR. HARRISON: WELL, IT'S SORT OF A FORM
22 OF SELF-INSURANCE, I GUESS.

23 MR. ROWLETT: QUICK QUESTION. THE
24 POTENTIAL EXPOSURE IF WE DON'T HAVE PEOPLE COVERED
25 COULD BE FAR GREATER. SO CONSEQUENTLY YOU HAVE

BARRISTERS' REPORTING SERVICE

1 PEOPLE COVERED GIVEN THAT THE ORGANIZATION USES A
2 LARGE NUMBER OF VOLUNTEERS, CORRECT?

3 MR. HARRISON: THAT'S CORRECT. THEY COULD
4 GO TO CIVIL COURT TO SEEK DAMAGES OTHERWISE.

5 CHAIRMAN THOMAS: DO I HEAR A MOTION? IS
6 THIS A COMMENT, DR. LEVIN?

7 DR. LEVIN: I WAS JUST GOING TO SAY I
8 THINK IT'S GREAT. THIS BOARD HASN'T PAID ENOUGH
9 ATTENTION TO THE DEVASTATING EFFECTS OF GRANT REVIEW
10 INJURY IN THE PAST.

11 MR. TORRES: WE ALMOST HAD SUCH AN INJURY
12 EARLIER TODAY.

13 CHAIRMAN THOMAS: I TAKE THAT -- DOES THAT
14 MEAN YOU MOVE THE ITEM?

15 DR. LEVIN: I MOVE TO ACCEPT.

16 DR. GASSON: SECOND.

17 CHAIRMAN THOMAS: SECONDED BY DR. GASSON.
18 ANY OTHER BOARD DISCUSSION? PUBLIC COMMENT? VOICE
19 VOTE. ALL IN THE ROOM PLEASE SAY AYE IF YOU LIKE
20 THIS. THANK YOU. OPPOSED? ABSTENTIONS?

21 MS. BONNEVILLE: KATHY LAPORTE.

22 DR. LAPORTE: YES.

23 MS. BONNEVILLE: ELIZABETH FINI.

24 DR. FINI: YES.

25 MS. BONNEVILLE: KRISTINA VUORI.

BARRISTERS' REPORTING SERVICE

1 DR. VUORI: YES.

2 MS. BONNEVILLE: THANK YOU.

3 CHAIRMAN THOMAS: THAT ITEMS PASSES. ON
4 TO ITEM NO. 15, CONSIDERATION OF AUGMENTATION TO THE
5 REMCHO, JOHANSEN & PURCELL CONTRACT. AND THIS IS
6 ALWAYS THE ITEM WHERE JAMES FEELS VERY ANTSY AND
7 STARTS LOOKING AT HIS KEYBOARD.

8 MR. TORRES: WITH A FLUSHED FACE.

9 CHAIRMAN THOMAS: IN JULY OF 2014, MR.
10 HARRISON, WHO TO THAT POINT HAD BEEN COUNSEL TO THE
11 BOARD, WAS GIVEN THE LARGER RESPONSIBILITY OF
12 GENERAL COUNSEL TO THE AGENCY. AND THAT ADDITIONAL
13 AMOUNT OF WORK, WHICH HAS BEEN CONSIDERABLE, HAS
14 BROUGHT TO BEAR FURTHER HOURS THAT MR. HARRISON
15 NEEDS TO WORK ON BEHALF OF THE AGENCY AND THE PEOPLE
16 OF CALIFORNIA AND REQUIRED THAT THE \$500,000 AMOUNT
17 THAT WE HAD PREVIOUSLY BUDGETED FOR HIS FIRM'S
18 COMPENSATION BE INCREASED ACCORDINGLY. AND WE FEEL
19 THAT, INSTEAD OF 500, THAT 600,000 IS THE
20 APPROPRIATE AMOUNT TO COVER THE TOTAL AMOUNT OF WORK
21 HE'S DOING.

22 SO I WOULD LIKE TO ENTERTAIN A MOTION TO
23 INCREASE MR. HARRISON AND REMCHO'S SALARY BY
24 \$100,000 FOR THIS CALENDAR YEAR.

25 MR. TORRES: SO MOVED.

BARRISTERS' REPORTING SERVICE

1 DR. GASSON: SECOND.

2 CHAIRMAN THOMAS: SO MOVED BY SENATOR
3 TORRES, SECONDED BY DR. GASSON. DR. MILLS HAS A
4 COMMENT.

5 DR. MILLS: IF ANYONE HAS ANY QUESTIONS
6 ABOUT IT, I CAN PROVIDE COLOR. OTHERWISE NO.

7 CHAIRMAN THOMAS: AS ALWAYS, JUST TO
8 FURTHER THE EMBARRASSMENT OF MR. HARRISON, THIS IS
9 ALWAYS THE POINT IN THIS PARTICULAR AGENDA TOPIC
10 WHERE I POINT OUT HOW --

11 MR. TORRES: YOU'RE ENJOYING IT A LITTLE
12 TOO MUCH.

13 CHAIRMAN THOMAS: -- HE'S DOING SUCH AN
14 EXEMPLARY JOB AS ALWAYS, AND WE ARE VERY FORTUNATE
15 TO HAVE HIM AS OUR GENERAL COUNSEL.

16 (APPLAUSE.)

17 DR. MILLS: I ACTUALLY WILL JUST POINT OUT
18 TWO THINGS BECAUSE I THINK THEY'RE FAIRLY MATERIAL.
19 ONE IS THE INCREASE WE'RE TALKING ABOUT IS THE
20 MAXIMUM AMOUNT WE WOULD PAY HIM, NOT THE AMOUNT WE
21 WILL PAY HIM. HE'S FEE FOR SERVICE. SO IF HE WORKS
22 THAT TIME, THEN HE WOULD GET PAID. BUT IF HE
23 DOESN'T, THEY DON'T.

24 SECONDLY, THE INCREASE THAT WE'RE TALKING
25 ABOUT OVER HIS PREVIOUS IS \$100,000. SINCE HE CAME

BARRISTERS' REPORTING SERVICE

1 ON TO THE ROLE OF GENERAL COUNSEL, WE'VE ACTUALLY
2 REMOVED \$400,000 IN LEGAL EXPENSE. SO I JUST WANT
3 TO MAKE IT CLEAR. IT'S A POTENTIAL INCREASE OF A
4 HUNDRED THOUSAND ONLY IF THE WORK IS THERE FOR AN
5 ALREADY GAINED REDUCTION OF 400,000.

6 MR. TORRES: THAT'S AN IMPORTANT POINT,
7 MR. CHAIRMAN, BECAUSE THE REDUCTION IS SUBSTANTIAL.
8 AND I THINK THAT THAT REALLY LENDS ITSELF TO THE
9 OVERVIEW THAT THE PRESIDENT JUST ARTICULATED, THAT
10 THIS AGENCY, ESPECIALLY WHEN THIS NEW PRESIDENT CAME
11 ON BOARD, HAS ALWAYS BEEN TRYING TO FIND WHERE CAN
12 WE SAVE MONEY, WHERE CAN WE CUT COSTS, AND I APPLAUD
13 HIM FOR DOING THAT.

14 CHAIRMAN THOMAS: THANK YOU, MR. SENATOR.
15 THANK YOU, DR. MILLS. OTHER COMMENTS OR QUESTIONS
16 BY MEMBERS OF THE BOARD?

17 DR. LAPORTE: I HAPPEN TO HAVE LEGAL THAT
18 REPORTS TO ME IN A COMPANY OF ABOUT THE SAME SIZE
19 BUDGET AS THIS AGENCY. (INAUDIBLE) -- HIGHER. ONE
20 COULD CONSIDER INTERNAL COUNSEL. THAT'S ALWAYS A
21 TRADE-OFF, BUT THAT'S IN LINE WITH WHAT I'M SEEING.

22 CHAIRMAN THOMAS: ANY OTHER COMMENTS? WE
23 WON'T EVEN ASK MR. HARRISON IF THIS IS A VOICE VOTE
24 OR NOT SINCE HE'S CONFLICTED, BUT WE WILL GO TO DO
25 ONE ANYWAY. SO ALL THOSE IN FAVOR OF THIS MOTION

BARRISTERS' REPORTING SERVICE

1 PLEASE SAY AYE. OPPOSED? ABSTENTIONS? MARIA.

2 MS. BONNEVILLE: KATHY LAPORTE.

3 DR. LAPORTE: YES.

4 MS. BONNEVILLE: ELIZABETH FINI.

5 DR. FINI: YES.

6 MS. BONNEVILLE: KRISTINA VUORI.

7 DR. VUORI: YES.

8 CHAIRMAN THOMAS: OKAY. THAT PASSES.

9 CONGRATULATIONS, MR. HARRISON. AND THANK YOU ONCE
10 AGAIN FOR YOUR EXTREMELY EXEMPLARY WORK.

11 OKAY. WE GET TO GO NOW TO CLOSED SESSION.

12 MR. HARRISON, WOULD YOU INSTRUCT US ON TODAY'S
13 TOPICS?

14 MR. HARRISON: THE BOARD WILL BE MEETING
15 IN CLOSED SESSION PURSUANT TO HEALTH AND SAFETY CODE
16 SECTION 125290.30(F)(3)(D) TO CONSIDER THE
17 EVALUATION OF THE CHAIR.

18 CHAIRMAN THOMAS: OKAY. MARIA, WOULD YOU
19 LIKE TO DESCRIBE THE LOGISTICS OF THIS?

20 MS. BONNEVILLE: FOR THOSE OF YOU ON THE
21 PHONE, I'VE SENT YOU A CLOSED SESSION DIAL-IN
22 NUMBER. YOU CAN DIAL IN AND WE'LL BE OVER THERE IN
23 A COUPLE OF MINUTES. FOR PEOPLE WHO ARE HERE, IT'S
24 JUST RIGHT ACROSS THE HALL. SO THE BOARD MEMBERS
25 SHOULD FEEL FREE TO WANDER ACROSS THE HALL.

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: WE ARE GOING TO GO OUT
2 FOR A WHILE FOR CLOSED SESSION. WE WILL THEN
3 RECONVENE WHEN CLOSED SESSION IS FINISHED TO COME
4 BACK TO COMPLETE TODAY'S AGENDA.

5 BEFORE ANYBODY LEAVES, JUDY, DID YOU WANT
6 TO ADDRESS THE BOARD? NO REASON FOR YOU TO HANG
7 AROUND.

8 MS. ROBERSON: I'M JUDY ROBERSON FROM
9 SACRAMENTO. AND CHAIRMAN THOMAS AND ICOC MEMBERS,
10 THE HUNTINGTON'S DISEASE FAMILIES OF CALIFORNIA
11 THANK YOU FOR FUNDING UC IRVINE'S DR. LESLIE
12 THOMPSON'S GRANT TODAY. BECAUSE OF CIRM,
13 HUNTINGTON'S FAMILIES HAVE HOPE FOR A FUTURE
14 TREATMENT FOR THIS HEREDITARY AND ALWAYS FATAL BRAIN
15 DISEASE THAT AFFECTS BOTH ADULTS AND CHILDREN
16 GENERATION AFTER GENERATION, FAMILIES LIKE MINE.
17 THANK YOU SO MUCH.

18 CHAIRMAN THOMAS: THANK YOU, JUDY. AND
19 THANK YOU FOR MAKING THE TRIP AS ALWAYS.

20 MEMBERS OF THE BOARD, IF YOU CAN JUST
21 PROCEED ACROSS THE HALL AT THIS TIME.

22 (THE BOARD THEN MET IN CLOSED
23 SESSION, NOT REPORTED NOR HEREIN TRANSCRIBED. AT
24 THE CONCLUSION OF THE CLOSED SESSION, THE FOLLOWING
25 WAS HEARD IN OPEN SESSION:)

BARRISTERS' REPORTING SERVICE

1 CHAIRMAN THOMAS: FOR THOSE OF YOU WHO
2 STUCK IT OUT ON THE PHONE, WE ARE RECONVENING. DOWN
3 TO HOME STRETCH HERE.

4 NO. 1, WE'RE GOING TO HAVE A
5 COMMUNICATIONS UPDATE. ANN HOLDEN, COULD YOU PLEASE
6 COME AND PRESENT?

7 KEVIN, AM I INTRODUCING YOU AND YOU'RE
8 INTRODUCING ANN?

9 MR. MC CORMACK: I'M GOING TO GIVE A
10 PRESENTATION, AND THEN ANN WILL FOLLOW ME.

11 CHAIRMAN THOMAS: I WILL SAY YOU'RE
12 LOOKING QUITE SARTORIAL TODAY, IF I DO SAY SO.

13 MR. MC CORMACK: IT'S SHOW BIZ, DARLING.

14 CHAIRMAN THOMAS: THERE YOU GO.

15 MR. MC CORMACK: DARLING CHAIRMAN THOMAS,
16 MEMBERS OF THE BOARD, AND JEANNE BEING THE ONLY
17 MEMBER OF THE PUBLIC HERE, AND COLLEAGUES, AND DON,
18 OF COURSE. I'M JUST GOING TO GIVE A BRIEF
19 PRESENTATION ABOUT SOME OF THE MEDIA THAT WE'VE HAD
20 OVER THE LAST COUPLE OF MONTHS SINCE WE LAST MET IN
21 JANUARY. AND FOLLOWING ON FROM THE PRESIDENT, I'M
22 GOING TO TRY AND BE PITHY AND MAKE WAY AFTER THAT
23 FOR ANN HOLDEN WHO'S GOING TO TALK ABOUT SOMETHING
24 THAT I THINK IS REALLY IMPORTANT WHICH IS THE
25 COMPLETE REDO OF OUR WEBSITE.

BARRISTERS' REPORTING SERVICE

1 SO WE'VE HAD OVER THE LAST COUPLE OF
2 MONTHS SOME PRETTY HEAVY MEDIA COVERAGE, STARTING
3 MOSTLY WITH THE NEWS FROM CITY OF HOPE, THAT THEY'VE
4 BEEN APPROVED FOR A CLINICAL TRIAL IN HIV/AIDS. AND
5 THIS PROJECT, WHICH ALSO INVOLVES USC AND SANGAMO
6 BIOSCIENCES, WAS FEATURED IN A FAIRLY GOOD ARTICLE
7 IN BUZZFEED, WHICH IS AN INTERNATIONAL GLOBAL MEDIA
8 WEBSITE. AND THAT GOT A LITTLE PICKUP AROUND THE
9 INTERNET. SO WE GOT A LOT OF REALLY GOOD REACH AND
10 A LOT OF REALLY GOOD RESPONSE FROM THAT ONE PIECE.

11 IT WAS ALSO FEATURED IN AN ARTICLE IN THE
12 *SAN FRANCISCO BUSINESS TIMES* AND ALSO KQED RADIO IN
13 THE "FORUM" RADIO SHOW, WHICH IS A BROADCAST
14 STATEWIDE. SO THAT WAS GREAT.

15 JOHN ZAIA, WHO'S THE PRINCIPAL
16 INVESTIGATOR FROM CITY OF HOPE ON THIS PROJECT, AND
17 OUR COLLEAGUE ON THE BOARD, JEFF SHEEHY, WERE THE
18 GUESTS ON THAT. AND THEY BOTH DID A WONDERFUL JOB
19 OF TALKING ABOUT THE PROJECT, THE IMPORTANCE OF THIS
20 WORK IN HIV/AIDS, AND ALSO THE IMPORTANCE OF THE
21 STEM CELL AGENCY IN HELPING TO FUND IT. SO THAT WAS
22 REALLY GOOD. WE GOT A REALLY GREAT RESPONSE FROM
23 THAT PARTICULAR PIECE.

24 AND, AGAIN, DR. ZAIA DID AN INTERVIEW WITH
25 24/7 NEWS, WHICH IS A RADIO SYNDICATION SERVICE THAT

BARRISTERS' REPORTING SERVICE

1 FEEDS STORIES LIKE THIS TO SOME 250 RADIO STATIONS
2 AROUND THE COUNTRY. SO, AGAIN, AN AWFUL LOT OF
3 EXPOSURE FROM ONE INTERVIEW. SO IT WAS REALLY GOOD
4 BE TO BE ABLE TO GET THAT NEWS OUT.

5 THERE WAS ANOTHER ONE WITH ONE OF OUR
6 OTHER CLINICAL TRIAL PARTNERS, ASTERIAS. THIS IS
7 SOMETHING THAT DR. MILLS WILL KNOW ALL ABOUT. THEY
8 WERE GIVEN THE OPPORTUNITY TO RING THE OPENING BELL
9 AT THE NEW YORK STOCK EXCHANGE. FOR THEM IT WAS A
10 GREAT THRILL OBVIOUSLY, AND IT ALSO GAVE US A CHANCE
11 TO KIND OF GET SOME STORIES IN THE MEDIA,
12 PARTICULARLY ABOUT THE SPINAL CORD INJURY TRIAL THAT
13 THEY'RE DOING, THEY'RE CARRYING OUT AND HAVE JUST
14 BEGUN AND THAT WE'RE FUNDING. SO, AGAIN, WE
15 SHAMELESSLY EXPLORE EVERY OPPORTUNITY TO GET OUR
16 NAME IN THE MEDIA.

17 AT THE LAST MEETING YOU VOTED ON THE TOOLS
18 AND TECHNOLOGY AWARDS. AND, AGAIN, THAT GOT SOME
19 REALLY GOOD COVERAGE IN THE *SACRAMENTO BUSINESS*
20 *TIMES JOURNAL*, VARIOUS OTHER NEWS ORGANIZATIONS, AND
21 SOME OF OUR OTHER RESEARCH PROJECTS AS WELL GOT SOME
22 NATIONAL COVERAGE AND THINGS LIKE THE SCIENTISTS AND
23 MEDICAL NEWS TODAY.

24 AND, FINALLY, XCONOMY, WHICH IS A BIOTECH
25 WEBSITE, DID A REALLY NICE PROFILE OF DR. MILLS AND

BARRISTERS' REPORTING SERVICE

1 CIRM 2.0. I PARTICULARLY LIKED THE OPENING
2 PARAGRAPH. IT SAYS, "HOME REMODELING SHOWS ARE A
3 REALITY TV STAPLE, BUT NO PARK AVENUE MANSION OR
4 COUNTRY ESTATE CAN TOP THE ONE BILLION PRICE TAG C.
5 RANDALL MILLS IS TRYING TO RENOVATE ON THE FLY IN
6 CALIFORNIA," WHICH MADE US SOUND LIKE SOME KIND OF
7 REAL HOUSEWIVES OF ORLANDO SHOW. IT WAS GREAT.

8 BUT, REALLY, I THINK ONE OF THE MOST
9 IMPORTANT THINGS THAT'S HAPPENED LATELY IS THE REDO
10 OF OUR WEBSITE. AND DR. ANNE HOLDEN, WHO'S OUR
11 WEBSITE MANAGER AND OUR SOCIAL MEDIA GURU, HAS BEEN
12 WORKING WITH A TEAM OF PEOPLE FOR THE LAST FEW
13 MONTHS ON DOING THIS. AND SO I'D LIKE YOU TO HEAR
14 FROM ANNE.

15 DR. HOLDEN: THANKS, EVERYONE. I WANT TO
16 TAKE A FEW MINUTES TO UPDATE THE BOARD AND EVERYONE
17 ELSE HERE ON THE CREATION, DEVELOPMENT, AND
18 EXECUTION OF OUR NEW WEBSITE THAT HOPEFULLY YOU ALL
19 HAVE TAKEN A LOOK AT IN THE LAST FEW DAYS.

20 SO AS SOME OF YOU MAY KNOW, OUR WEBSITE
21 WAS ACTUALLY REDESIGNED A FEW YEARS AGO, BUT THERE
22 ARE SEVERAL IMPORTANT REASONS WHY WE FELT ANOTHER
23 REDESIGN AT THIS POINT IN TIME IN CIRM'S LIFETIME
24 WAS NECESSARY. WITH THE LAUNCH OF CIRM 2.0, WE
25 WANTED TO OFFER AN IMPROVED USER EXPERIENCE TO TWO

BARRISTERS' REPORTING SERVICE

1 OF OUR VERY IMPORTANT CONSTITUENTS; THAT IS, CURRENT
2 AND POTENTIAL GRANTEES, PATIENTS, AND PATIENT
3 ADVOCATES, OR REALLY ANYONE IN THE GENERAL PUBLIC
4 THAT'S INTERESTED IN LEARNING MORE ABOUT CIRM.

5 SO REDESIGNING OUR WEBSITE WITH THOSE TWO
6 GROUPS IN MIND, WE BELIEVED IT WOULD HELP TO ATTRACT
7 TOP QUALITY APPLICANTS FROM INSTITUTIONS AND FROM
8 INDUSTRY AND INCREASE AWARENESS OF CIRM-FUNDED
9 RESEARCH, ULTIMATELY HELPING TO ACHIEVE OUR MISSION
10 OF ACCELERATING STEM CELL TREATMENTS TO PATIENTS IN
11 NEED.

12 WHEN WE BEGAN LOOKING AT HOW TO IMPROVE
13 THE SITE TO MEET THESE GOALS, WE FOCUSED ON THE
14 MAJOR PAIN POINTS WITH OUR CURRENT SITE. AS YOU CAN
15 SEE HERE FROM NOW OUR OLD SITE, THERE WAS
16 SIGNIFICANT UNUSED WHITE SPACE. FOR THE NEW VISITOR
17 IT WAS NOT CAPTIVATING. IT ALSO CAUSED PROBLEMS
18 WITH WHERE THE USER SHOULD GO TO LEARN MORE ABOUT
19 WHO WE ARE AND WHAT WE DO.

20 IN ADDITION, WHEN YOU DRILL DOWN TO THE
21 INDIVIDUAL SUBPAGES, THE HORIZONTAL DROP-DOWN WAS
22 DIFFICULT TO USE, AS YOU CAN SEE UP AT THE TOP. WE
23 ACTUALLY RECEIVED MANY COMPLAINTS ABOUT THIS. ME
24 PERSONALLY ALMOST EVERY DAY SINCE I STARTED WORKING
25 HERE. ALSO, INDIVIDUAL SUBPAGES WERE ALMOST

BARRISTERS' REPORTING SERVICE

1 ENTIRELY RELIANT ON TEXT, AS YOU CAN SEE HERE. THIS
2 IS DESPITE THE FACT THAT WE HAVE SEVERAL OR WE HAVE
3 MANY BEAUTIFUL SCIENTIFIC IMAGES AS WELL AS IMAGES
4 OF OUR PATIENTS AND ADVOCATES THAT REALLY WEREN'T
5 BEING PUT TO GOOD USE.

6 AND, FINALLY, A VERY IMPORTANT POINT, THE
7 MOBILE EXPERIENCE ON OUR SITE WAS AT BEST UNPLEASANT
8 AND IN MANY CASES MUCH WORSE. I'LL REFRAIN FROM
9 USING WORDS THAT I'VE HEARD ABOUT IT HERE. OUR
10 ANALYTICS ACTUALLY SHOW THAT 40 PERCENT OF USERS
11 WERE VISITING OUR SITE FROM A MOBILE OR TABLET
12 DEVICE, AND WE BELIEVED THAT THEY DESERVE TO HAVE AN
13 ENJOYABLE USER EXPERIENCE.

14 SO WITH THAT IN MIND, WE BEGAN TO DEVELOP
15 OUR PLAN LAST FALL AROUND OCTOBER, BEING TO IMPROVE
16 THE USER EXPERIENCE EFFECTIVELY AND EFFICIENTLY. WE
17 CONTRACTED WITH A BRAND-NEW UP AND COMING SMALL
18 BOUTIQUE FIRM CALLED RADIANT DIGITAL THAT ARE BASED
19 BOTH IN NEWPORT, CALIFORNIA, AND IN A NEW YORK TO
20 HELP WITH DESIGN AND DRUPAL DEVELOPMENT. WE ALSO
21 RELIED HEAVILY ON IN-HOUSE EXPERTISE FOR DRUPAL
22 SUPPORT, CONTENT DEVELOPMENT, AND PROJECT
23 MANAGEMENT. AND THE RESULT WAS A COMPLETE WEBSITE
24 REDESIGN IN LESS THAN SIX MONTHS.

25 THIS PAST SUNDAY WE LAUNCHED THE NEW AND

BARRISTERS' REPORTING SERVICE

1 IMPROVED CIRM.CA.GOV. AS YOU CAN SEE THE VISUAL,
2 WE'VE MADE A NUMBER OF VISUAL IMPROVEMENTS TO THE
3 SITE, INCLUDING FEATURING ONE OF OUR PATIENT
4 ADVOCATES, DIANA SOUZA, ON OUR HOME PAGE. JUST
5 BELOW THE IMAGES, YOU WILL SEE CURRENT FUNDING
6 OPPORTUNITIES AND LEARN MORE ABOUT CIRM. SO THERE
7 ARE TWO MAIN AUDIENCES, CURRENT AND POTENTIAL
8 GRANTEES, AS WELL AS INTERESTED MEMBERS OF THE
9 PUBLIC CAN DISCOVER RIGHT AWAY WHO WE ARE AND WHAT
10 WE DO AND HOW THEY CAN APPLY FOR FUNDING.

11 YOU ALSO SEE A SPECIAL BANNER DEDICATED TO
12 CIRM 2.0 SO VISITORS CAN EXPLORE AND UNDERSTAND HOW
13 CIRM 2.0 WORKS.

14 WE'VE ALSO IMPROVED THE MAIN MENU
15 NAVIGATION TO A VERTICAL DROP-DOWN AS OPPOSED TO THE
16 HORIZONTAL FROM PREVIOUSLY. THIS SHOULD VASTLY
17 IMPROVE THE USER EXPERIENCE IN NAVIGATING THROUGHOUT
18 THE SITE.

19 WE MADE A NUMBER OF IMPROVEMENTS TO THE
20 EXISTING PAGES, AGAIN, TAKING ADVANTAGE OF THE VAST
21 ARRAY OF IMAGES AT OUR DISPOSAL. FOR EXAMPLE,
22 HERE'S OUR REVISED STEM CELL BASICS PAGE WHICH, WHEN
23 YOU COMPARE TO THE PREVIOUS ITERATION, OFFERS A MUCH
24 RICHER AND MORE ENGAGING USER EXPERIENCE.

25 WE'VE ALSO IMPROVED OUR FUNDING

BARRISTERS' REPORTING SERVICE

1 OPPORTUNITIES PAGE TO REFLECT THE CHANGES IN HOW
2 RESEARCHERS ARE APPLYING FOR GRANTS. WITH THE
3 ASSISTANCE OF BOB DEMETRIUS AND HIS TEAM IN LA'S
4 LSHD ADVERTISING, WHO ALSO WERE THE PEOPLE BEHIND
5 OUR NEW SUITE OF LOGOS, WE CREATED AN INTERACTIVE
6 IMAGE MAP THAT ALLOWS POTENTIAL GRANTEES TO CLICK ON
7 VARIOUS AWARD CATEGORIES. AT PRESENT, CLICKING ON
8 THE CLINICAL TAB HERE HIGHLIGHTED IN RED WILL TAKE
9 THE VISITOR TO THE CLINICAL STAGE PROGRAM
10 ANNOUNCEMENTS. AND WHEN THE ANNOUNCEMENTS FOR
11 DISCOVERY AND TRANSLATIONAL GO LIVE, THE BUTTONS
12 WILL TAKE THE GRANTEE OR POTENTIAL GRANTEE TO THOSE
13 PAGES AS WELL.

14 WE'VE ALSO USED THIS OPPORTUNITY TO CREATE
15 PAGES THAT DID NOT EXIST ON THE OLD WEBSITE, BUT
16 THAT WE FEEL ARE VERY IMPORTANT FOR THE USER
17 EXPERIENCE. FOR EXAMPLE, WE CREATED A DEDICATED
18 LANDING PAGE FOR OUR NEW ALPHA CLINICS STEM CELL
19 NETWORK AND AS WELL A SERIES OF SUBPAGES THAT WILL
20 HELP DESCRIBE THE PURPOSE AND MISSION OF THE ALPHA
21 CLINICS ALONG WITH LIVE LINKS TO EACH CENTER'S HOME
22 PAGE, CITY OF HOPE, UCSD, AND SO ON.

23 IN COORDINATION WITH THESE CENTERS, WE ARE
24 ALSO DEVELOPING ADDITIONAL SUBPAGES TO HIGHLIGHT
25 ALPHA CLINICS. SO STAY TUNED FOR THAT IN THE COMING

BARRISTERS' REPORTING SERVICE

1 WEEKS.

2 WE'VE ALSO CREATED A PATIENT TOOLBOX,
3 HOUSING CONTENT FOR PATIENTS AND ADVOCATES TO GIVE
4 THEM THE TOOLS THEY NEED WHEN SPEAKING ABOUT CIRM IN
5 PUBLIC, SUCH AS DURING MEDIA INTERVIEWS OR
6 MODERATING A PANEL.

7 IMPORTANTLY, WE'VE CREATED A FULLY
8 RESPONSIVE MOBILE AND TABLET FAMILY VERSION OF OUR
9 SITE SO THAT NO MATTER WHERE YOU ARE AND WHAT YOUR
10 DEVICE, I'M INCLUDING IPADS, KINDLE FIRE, ANDROID
11 TABLETS AND IPHONES, YOU CAN HAVE AN ENJOYABLE USER
12 EXPERIENCE, WE HOPE.

13 AND FINALLY, I THINK THIS IS IMPORTANT
14 ESPECIALLY FOR THE PEOPLE IN THIS ROOM. THE NEW
15 WAYS TO NAVIGATE TO ANYTHING RELATED TO THE BOARD,
16 GOVERNING BOARD, MEETINGS, THINGS LIKE THAT, CAN
17 EITHER BE THROUGH THE EVENTS TAB, CIRCLED HERE, OR
18 UNDER GOVERNANCE AT THE TOP OF THE PAGE.

19 BUT OUR WORK IS NOT DONE. THERE ARE A
20 NUMBER OF ADDITIONAL IMPROVEMENTS THAT WE'RE ALREADY
21 WORKING ON IN THE NEXT FEW MONTHS, INCLUDING OUR TOP
22 PRIORITY, WHICH IS AN IMPROVED SEARCH. STAY TUNED
23 FOR THAT. WE'RE ALSO GOING TO BE INCREASING THE USE
24 OF DATA VISUALIZATION INFOGRAPHICS AND DECREASING
25 THE RELIANCE ON TEXT EVEN FURTHER TO HELP INFORM

BARRISTERS' REPORTING SERVICE

1 PATIENTS, GRANTEES, EDUCATORS, AND OTHERS. WE ARE
2 ALSO WORKING ON SOME BEHIND-THE-SCENES FUNCTIONALITY
3 IMPROVEMENTS THAT YOU MAY NOT NOTICE, BUT WILL MAKE
4 THE OVERALL EXPERIENCE FASTER AND MORE EFFICIENT.

5 AND FINALLY IN THE BRIEF TIME I HAVE LEFT,
6 I WOULD LIKE TO THANK EVERYONE WHO PARTICIPATED IN
7 THIS DESIGN. IT REALLY WAS A TEAM EFFORT FROM
8 EVERYONE AT CIRM WHO'S LISTED HERE, ESPECIALLY THE
9 ONES LISTED HERE, RADIANT DIGITAL, ESPECIALLY TIM
10 HOBERT, WHO WORKED WITH OUR TEAM TO DEVELOP THE
11 PROJECT, AND LSHD ADVERTISING FOR THE BEAUTIFUL
12 IMAGE AND GRAPHICS.

13 I'M READY TO TAKE ANY QUESTIONS. GREAT.

14 CHAIRMAN THOMAS: ANNE, I THINK WE SPOKE
15 IN THE OFFICE A COUPLE DAYS AGO. I THINK IT'S A
16 WONDERFUL WEBSITE. YOU TOOK WHAT WAS ALREADY A
17 GREAT WEBSITE AND MADE IT EVEN BETTER IN KEEPING
18 WITH THE 2.0 THEME. AND CONGRATULATIONS ON A VERY
19 FINE PIECE OF WORK.

20 DR. HOLDEN: THANK YOU VERY MUCH. THANKS,
21 EVERYONE.

22 MR. MC CORMACK: I JUST WANTED TO ADD ONE
23 MORE NOTE, WHICH IS THAT ANNE HAS ONLY BEEN WITH US
24 FOR ABOUT A YEAR. IN THAT TIME SHE'S COMPLETELY
25 CHANGED THE WAY WE LOOK ONLINE. SHE, FIRST OF ALL,

BARRISTERS' REPORTING SERVICE

1 COMPLETELY UPDATED OUR BLOG TO MAKE IT LOOK
2 WONDERFUL, AND SHE'S DONE THE SAME WITH OUR WEBSITE.
3 SO SHE'S DONE AN EXTRAORDINARY JOB IN A VERY SHORT
4 TIME. AND SHE SHOWS GREAT -- SHE'S ALWAYS VERY CALM
5 DESPITE ALL THE FLURRY OF SUGGESTIONS THAT EVERYONE
6 IS COMING BY. EVERY TIME THEY GO BY HER DESK, THEY
7 SAY COULD WE DO, COULD WE, AND SHE NEVER GETS UPSET
8 OR ANYTHING. SHE'S JUST GREAT. SHE'S A JOY TO WORK
9 WITH.

10 I ALSO WANTED TO KIND OF EMPHASIZE THE
11 POINT SHE TALKED ABOUT, THE MOBILE DEVICE, BECAUSE
12 ABOUT 40 PERCENT OF OUR TRAFFIC RIGHT NOW COMES FROM
13 MOBILE DEVICES. AND THAT'S ONLY GOING TO GET MORE
14 IN THE FUTURE. SO TO BE ABLE TO LOOK AT OUR WEBSITE
15 IN A WAY THAT MAKES SENSE AND IS REALLY EASY TO
16 NAVIGATE ON A CELL PHONE OR A TABLET IS SUCH AN
17 IMPORTANT ADVANCE. SO I REALLY WANT TO AGAIN THANK
18 ANNE AND THE REST OF THE TEAM FOR THAT WORK.

19 MR. SHEEHY: THIS IS A LITTLE OFF TOPIC,
20 BUT IN THE LINE OF MEDIA, ONE OF THE THINGS THAT
21 I'VE NOTICED A LOT OF, JUST INSTANTLY IN THE LAST
22 TWO WEEKS, AN ISSUE THAT'S EXPLODED IS THE GENE
23 MODIFICATION OF GERM LINES WITH BOTH THE PUBLICATION
24 IN *NATURE* AND IN *SCIENCE* LED BY DR. BALTIMORE, OUR
25 FORMER COLLEAGUE, AND THE OTHER BY THE ALLIANCE FOR

BARRISTERS' REPORTING SERVICE

1 REGENERATIVE MEDICINE. AND I NOTICE THAT WE HAVE A
2 STANDARDS WORKING GROUP COMING UP, AND WE HAVE BEEN
3 SUCH LEADERS, THOUGHT LEADERS, ACTUALLY I THINK WE
4 HAD THE FIRST OPERATIVE POLICIES IN PLACE FOR
5 EMBRYONIC STEM CELL RESEARCH WHEN WE FIRST DID OUR
6 STANDARDS WHEN WE FIRST STARTED TEN YEARS AGO.

7 SO I WONDER IF THERE'S A WAY -- OBVIOUSLY
8 WE DON'T HAVE AN ITEM ON OUR AGENDA, SO WE CAN'T
9 TAKE ANY FORMAL ACTION, BUT TO COMMUNICATE TO THE
10 CIRM TEAM, TO THE STANDARDS WORKING GROUP CHAIRS
11 THAT IT WOULD BE HELPFUL TO HEAR WHAT OUR POLICY IS
12 BECAUSE THIS IS BECOMING A BIG SUBJECT. I THINK
13 CLARITY ON HOW WE ARE -- WHAT OUR RULES ARE AROUND
14 THIS WOULD BE GOOD. SEE IF THERE ARE FURTHER POINTS
15 FOR DISCUSSION AND SEE IF WE NEED TO A TAKE
16 LEADERSHIP ON THIS BECAUSE I THINK, IF YOU'VE READ
17 THIS STUFF, THIS IS A HOT ISSUE.

18 ONE OF THE THINGS I'M FINDING IS THERE'S A
19 LOT OF CONFUSION IN THE COMMUNITY. SO A LOT OF
20 PEOPLE THINK THAT THIS IMPLIES THAT ALL GENETIC
21 MODIFICATION, INCLUDING THE GENE THERAPY STUDIES
22 THAT WE HAVE IN OUR PORTFOLIO, ARE NOW SUSPECT
23 BECAUSE THEY HAVE THE POTENTIAL TO PERMANENTLY ALTER
24 THE HUMAN GENOME. SO I THINK HAVING A DIALOGUE AND
25 DISCUSSION AT THE STANDARDS WORKING GROUP, IF

BARRISTERS' REPORTING SERVICE

1 THERE'S STILL TIME TO GET THAT ON THEIR AGENDA, I
2 THINK WOULD BE HELPFUL. AND WITH THE ETHICISTS WE
3 HAVE WHO HAVE BEEN PARTICIPATING IN THAT EFFORT
4 ENABLE US TO BE PART OF THE CONVERSATION AS IT MOVES
5 FORWARD.

6 I THINK THE PIECES THAT WERE WRITTEN ARE
7 VERY INTERESTING. I THINK IT'S AN IMPORTANT SOCIAL
8 TOPIC AS WE MOVE FORWARD WITH THESE NEW
9 TECHNOLOGIES. AND IF THERE'S SOME WAY WE CAN KIND
10 OF EXPRESS THAT, IF THE PRESIDENT AND WHOEVER I'M
11 TRYING TO PERSUADE TO GET THAT TO MOVE FORWARD, I
12 THINK IT WOULD BE AN INTERESTING THING TO HAVE -- AN
13 INTERESTING ROLE THAT CIRM CAN CONTINUE TO PLAY AND
14 HAS PLAYED IN THE PAST.

15 CHAIRMAN THOMAS: THANK YOU, JEFF. ANY
16 OTHER COMMENTS?

17 MR. ROWLETT: JUST IN GENERAL, THE
18 WEBSITE, REGARDING THAT, I FIND IT TO BE A
19 TREMENDOUS WORK IN A POSITIVE DIRECTION, USABILITY
20 AND JUST IN TERMS OF THE FLEXIBILITY OF THE WEBSITE.
21 I FIND IT TO BE FAR MORE INTUITIVE, AND THAT'S, I
22 THINK, IMPORTANT WHEN YOU SPEAK TO CONSTITUENTS.

23 AND THE OTHER THING THAT I WANT TO SAY IS
24 I APPRECIATE THE DIVERSITY THAT'S REFLECTED IN OUR
25 WEBSITE. I THINK THAT YOU TRIED TO INCORPORATE ALL

BARRISTERS' REPORTING SERVICE

1 OF CALIFORNIA, INCLUDING THE GREAT STATE OF LOS
2 ANGELES. AND THOSE OF YOU WHO WERE IN THE OTHER
3 ROOM KNOW WHAT I'M TALKING ABOUT.

4 CHAIRMAN THOMAS: IS THAT ANOTHER THINLY
5 VEILED DODGER/GIANT LINE?

6 MR. ROWLETT: NO, MR. PRESIDENT, IT'S NOT.
7 SO CONGRATULATIONS ON THE POSITIVE WORK IN PROGRESS.
8 KEEP IT UP. AND I APPLAUD WHAT YOU'VE DONE SO FAR.

9 MR. MC CORMACK: THANK YOU.

10 CHAIRMAN THOMAS: OKAY. NEXT THIS IS, I
11 THINK, A VERY IMPORTANT UPDATE. YOU MAY RECALL WE
12 HAD A VERY LARGE INITIATIVE TWO OR THREE YEARS AGO
13 IN THE INDUCED PLURIPOTENT STEM CELL BANKING SPACE.
14 AND WE HAVE A PROGRAM THAT'S IN MIDSTRIDE RIGHT NOW.
15 AND I ASKED DR. GRISHAMMER IF SHE WOULD SPEAK TO US
16 AND GIVE US AN UPDATE ON WHAT'S GOING ON BECAUSE I'M
17 SURE THERE ARE A LOT OF NEAT THINGS. SO DOCTOR.

18 DR. GRISHAMMER: GOOD AFTERNOON AND
19 THANKS. YES, I'M HERE TO UPDATE YOU ON THE HUMAN
20 INDUCED PLURIPOTENT STEM CELL OR IPS CELL
21 INITIATIVE. IN LINE WITH CIRM'S MISSION TO
22 ACCELERATE STEM CELL TREATMENTS TO PATIENTS WITH
23 UNMET MEDICAL NEEDS, THE GOAL OF THIS INITIATIVE IS
24 TO CREATE AN IPS CELL BANK, WHICH IS, IN ESSENCE, A
25 LIBRARY WHERE STEM CELLS ARE STORED AND DISTRIBUTED

BARRISTERS' REPORTING SERVICE

1 TO USE THEM TO ACCELERATE THERAPEUTIC DISCOVERY.

2 THE BUDGET FOR THIS INITIATIVE IS A LITTLE
3 OVER \$32 MILLION. IN MARCH 2013 YOU APPROVED THE
4 GRANTS THAT MAKE UP THIS INITIATIVE. AND THEN IN
5 NOVEMBER 2013 ALL THE GRANTS THAT ARE PART OF THIS
6 INITIATIVE WERE LAUNCHED. SO THE FIRST FEW MINUTES
7 I'LL GO OVER AND REMIND YOU WHAT THIS INITIATIVE IS
8 ABOUT.

9 SO THERE ARE THREE DIFFERENT DISTINCT
10 ACTIVITIES THAT ARE FUNDED UNDER THIS INITIATIVE.
11 AND THESE ACTIVITIES ARE THE STEPS THAT ARE NEEDED
12 TO CREATE THIS RESOURCE. THE FIRST STEP IS CALLED
13 TISSUE COLLECTION WHERE PHYSICIAN SCIENTISTS RECRUIT
14 TISSUE DONORS WITH VARIOUS DISEASES WHO DONATE SOME
15 BLOOD OR A SMALL PIECE OF SKIN. THESE TISSUES ARE
16 THEN TRANSFERRED TO THE IPS CELL GENERATION FACILITY
17 WHERE THE IPS CELLS ARE GENERATED. AND THEN,
18 FINALLY, THE CELLS ARE STORED AND DISTRIBUTED FROM
19 THE IPS CELL BANK FOR RESEARCHERS AND DRUG
20 DEVELOPERS TO USE THESE CELLS TO MODEL DISEASES TO
21 BETTER UNDERSTAND HUMAN DISEASE AND TO ENGAGE IN
22 DRUG DISCOVERY AND DEVELOPMENT.

23 SO WHY CREATE SUCH AN IPS CELL BANK? THE
24 INTENDED USES OF THESE IPS CELLS FROM THIS BANK ARE
25 ILLUSTRATED ON THE SLIDE. SO AS AN EXAMPLE, IF YOU

BARRISTERS' REPORTING SERVICE

1 HAVE A PATIENT WITH NEURODEGENERATIVE DISEASE SUCH
2 AS ALZHEIMER'S OR PARKINSON'S DISEASE, YOU CAN ASK
3 THEM TO DONATE SOME BLOOD. THE BLOOD CELLS ARE
4 CONVERTED TO IPS CELLS, THEN STORED IN THE BANK.
5 AND THEN THE RESEARCHERS WHO THEN OBTAIN THESE CELLS
6 FROM THE IPS CELL BANK WILL EXPAND THEM FURTHER IN
7 THEIR LABORATORIES AND INDUCE THEM TO BECOME BRAIN
8 CELLS IN THIS CASE. AND SINCE THESE CELLS WERE
9 ORIGINALLY OBTAINED FROM A PATIENT WITH
10 NEURODEGENERATIVE DISEASE, THESE BRAIN CELLS IN THE
11 DISH MAY NOW DISPLAY SOME DEFECTS THAT RESEMBLE
12 THOSE SEEN IN THE PATIENT WITH NEURODEGENERATIVE
13 DISEASE AND CAN, THEREFORE, BE USED BY THE
14 RESEARCHER TO STUDY THE DISEASE.

15 IN ADDITION, DRUG DEVELOPERS CAN NOW USE
16 THESE SICK BRAIN CELLS IN THE DISH AND SCREEN LARGE
17 LIBRARIES OF POTENTIAL DRUG COMPOUNDS TO IDENTIFY
18 CANDIDATES THAT REVERT THE DISEASED CELLS BACK TO
19 NORMAL. IF YOU FIND A COMPOUND THAT DOES THAT, IT
20 CAN THEN BECOME A CANDIDATE DRUG THAT CAN MOVE
21 TOWARD AND INTO CLINICAL TRIAL.

22 NOW, IPS CELLS HAVE THREE COMPELLING
23 CHARACTERISTICS THAT MAKE THEM SO BROADLY APPLICABLE
24 TO STUDYING MANY DIFFERENT HUMAN DISEASES. THE
25 FIRST IS THAT THEY'RE DERIVED FROM TISSUES THAT CAN

BARRISTERS' REPORTING SERVICE

1 EASILY BE OBTAINED FROM LIVING PEOPLE, SUCH AS BLOOD
2 OR SMALL PIECE OF SKIN. THE IPS CELLS THEMSELVES
3 HAVE WHAT APPEAR TO BE AN UNLIMITED CAPACITY, THE
4 SECOND CHARACTERISTIC, AN UNLIMITED CAPACITY TO
5 DIVIDE AND PROLIFERATE IN CULTURE, WHICH MEANS THAT
6 HUGE AMOUNTS OF CELLS CAN BE EASILY PRODUCED. AND
7 THEN, FINALLY, THE THIRD CHARACTERISTIC IS THAT,
8 LIKE EMBRYONIC STEM CELLS, IPS CELLS ARE
9 PLURIPOTENT. THAT'S WHERE THEIR NAME COMES FROM.
10 PLURIPOTENT MEANS THAT THEY HAVE THE ABILITY TO FORM
11 THE CELLS OF ANY ORGAN OR TISSUE IN YOUR BODY, SUCH
12 AS HEART, GUT, PANCREAS, LIVER, OR BRAIN.

13 SO, THEREFORE, THIS TECHNOLOGY, THIS IPS
14 CELL TECHNOLOGY, MAKES IT POSSIBLE FOR RESEARCHERS
15 AND DRUG DEVELOPERS TO STUDY HEART CELLS FROM
16 PATIENTS WITH HEART DISEASE OR BRAIN CELLS FROM
17 PATIENTS BRAIN DISEASE; IN OTHER WORDS, THIS
18 TECHNOLOGY, THE IPS CELL GENERATION, IS A MEANS TO
19 BE ABLE TO ACCESS PREVIOUSLY INACCESSIBLE OR HARD TO
20 ACCESS TISSUES FROM CELL TYPES FROM PATIENTS TO
21 CREATE LARGE QUANTITIES OF THESE CELLS FOR STUDY.

22 NOW, IN THE IPS CELL INITIATIVE THAT IS
23 FUNDED BY CIRM, WE ARE INCLUDING DISEASES OF THE
24 BRAIN, THE HEART, THE LIVER, THE LUNG, AND THE EYE.
25 THE SPECIFIC CONDITIONS ARE LISTED HERE AND SO ARE

BARRISTERS' REPORTING SERVICE

1 THE CLINICIAN SCIENTISTS WHO ARE RECRUITING THE
2 PATIENTS TO PARTICIPATE IN THIS STUDY. THEY ALSO
3 RECRUIT HEALTHY INDIVIDUALS WHOSE IPS CELLS WILL
4 SERVE AS NORMAL CONTROLS. AND SO THOSE ARE THE
5 INDIVIDUALS WHO COLLECT THE BLOOD OR SKIN PIECES.

6 THE TISSUES ARE THEN TRANSFERRED TO THE
7 IPS CELL GENERATION FACILITY WHICH IS OPERATED BY A
8 COMPANY CALLED CELLULAR DYNAMICS INTERNATIONAL OR
9 CDI. THEY ARE A COMPANY THAT PROVIDES IPS CELLS AND
10 MATURE CELLS DERIVED FROM THESE IPS CELLS TO
11 RESEARCHERS AND THE PHARMACEUTICAL INDUSTRY. SO
12 THEY'RE WELL-SUITED FOR THIS TASK OF GENERATING
13 INDEED IPS CELLS FROM 3,000 TISSUE DONORS, WHICH IS
14 WHAT THEY HAVE SIGNED UP TO DO.

15 ONCE THE IPS CELLS ARE GENERATED, THEY ARE
16 TRANSFERRED TO THE BANK, WHICH IS OPERATED BY
17 CORYELL. THAT'S A NONPROFIT ORGANIZATION THAT HAS
18 DECADES OF EXPERIENCE IN OPERATING CELL BANKS.

19 NOW, CDI AND CORYELL ARE NOT LOCATED IN
20 CALIFORNIA, BUT THEY ESTABLISHED FACILITIES HERE IN
21 CALIFORNIA AT THE BUCK INSTITUTE UP IN NOVATO TO
22 EXECUTE THEIR GRANTS.

23 SO ON MY LAST SLIDE, I WANT TO TELL YOU
24 WHERE THIS INITIATIVE STANDS. AS I MENTIONED ON MY
25 FIRST SLIDE, THE AWARDS WERE ALL LAUNCHED BY

BARRISTERS' REPORTING SERVICE

1 NOVEMBER 2013. THE FIRST FEW MONTHS WERE SPENT FOR
2 THE PROCESSES THAT WERE NECESSARY TO COORDINATE THE
3 DIFFERENT ACTIVITIES TO BE WORKED OUT AND TO
4 ESTABLISH INDEED THE IPS CELL GENERATION AND BANKING
5 OPERATIONS.

6 THE TISSUE COLLECTION FROM PATIENTS
7 STARTED IN MARCH 2014. AND AS OF THIS MONTH MORE
8 THAN 1,000 SAMPLES FROM PATIENTS HAVE BEEN COLLECTED
9 AND TRANSFERRED TO THE BUCK INSTITUTE. AND IPS
10 CELLS FROM MORE THAN 350 INDIVIDUALS HAVE BEEN
11 GENERATED AND VALIDATED.

12 THE NEAR-TERM MILESTONES ARE TO HAVE IPS
13 CELLS FROM 750 DONORS GENERATED BY THE END OF MAY,
14 AND THEN THE BANK IS SLATED TO OPEN FOR BUSINESS BY
15 THE END OF AUGUST WHEN THE IPS CELLS FROM THE FIRST
16 300 DONORS WILL BECOME AVAILABLE FROM THE BANK.

17 THE LAST THREE TIME POINTS SHOW THE SLATED
18 ENDPOINTS FOR THE THREE ACTIVITIES I WAS DESCRIBING.
19 AND WITH THE IPS CELLS FROM ALL DONORS BECOMING
20 AVAILABLE BY THE END OF 2017.

21 SO I WANT TO STOP HERE. I FORGOT TO
22 MENTION THE ACTIVITIES THAT ARE INVOLVED HERE NEED
23 TO BE COORDINATED, AND CIRM IS ACTUALLY ACTIVELY
24 INVOLVED IN HELPING COORDINATE THESE VARIOUS
25 ACTIVITIES. I WANT TO THANK MICHAEL YAFFE WHO HAS

BARRISTERS' REPORTING SERVICE

1 BEEN IN CHARGE OF THIS INITIATIVE UNTIL RECENTLY.
2 AND DUE TO THE REORGANIZATION WE RECENTLY HAD AT
3 CIRM, I AM NOW IN CHARGE OF THIS INITIATIVE. AND
4 I'M HAPPY TO TAKE ANY QUESTIONS.

5 MR. SHEEHY: SURE. SO THIS LOOKS GREAT.
6 I HAD A QUESTION. AND THIS ACTUALLY CAME UP IN A
7 PRESENTATION THAT I WAS AT WITH SOMEONE WHO IS
8 HEAVILY INVOLVED IN THE FORMATION OF THE EUROPEAN
9 BANK FOR INDUCED PLURIPOTENT STEM CELLS. AND ONE
10 FEATURE THAT THEY HAD THAT WE DID NOT INCLUDE, WHICH
11 I'M ACTUALLY BEGINNING TO THINK IS A GAP, BECAUSE
12 THEY ACTUALLY PARTNERED WITH A BIG PHARMA, WITH
13 PFIZER. AND WHAT THAT DID OBVIOUSLY WAS STRETCH
14 THEIR RESOURCES MUCH FURTHER, BUT IT ALSO BROUGHT
15 CONCRETE EXPERTISE IN TARGETING AND DRUG
16 DEVELOPMENT. THE TWO PIECES OF IT, OF THAT FIRST
17 SCHEME OF IT, ARE KIND OF LAYING OUT THERE.

18 I WONDER IF ANY THOUGHT HAS BEEN GIVEN TO
19 ACTUALLY SEEKING AN INDUSTRY PARTNER IN ORDER BOTH
20 TO MAKE THIS MORE ECONOMICALLY RATIONAL FOR US, BUT
21 ALSO TO MAKE IT MORE EFFICIENT IN THAT YOU BRING IN
22 EXPERTISE THAT REALLY ALREADY EXISTS FOR TARGETING
23 AND DRUG DEVELOPMENT.

24 IT JUST SEEMS LIKE WE'RE MISSING A PIECE
25 ON THAT END OF THE -- OUR PROPOSAL LOOKS GREAT.

BARRISTERS' REPORTING SERVICE

1 WE'RE GOING TO HAVE ALL THESE LINES, BUT REALLY WHAT
2 HAPPENS TO THEM, WHO'S VESTED IN REALLY DEVELOPING
3 THE PRODUCTS OUT OF THOSE LINES? AND, AGAIN, THE
4 EUROPEAN EXAMPLE, I HAVE THEIR WEBSITE UP, WORKING
5 CLOSELY WITH A BIG PHARMA COMPANY MAY ADVANTAGE THEM
6 GREATLY.

7 DR. GRISHAMMER: IF I CAN MAKE TWO
8 COMMENTS. ONE IS, FIRST, YES, I ACKNOWLEDGE THAT
9 THERE WAS NO MOVE TO INCLUDE PHARMACEUTICAL FUNDING
10 IN THIS INITIATIVE. BUT TWO COMMENTS. ONE THING
11 THAT WE DID DO WITH FORESIGHT OVER THE FACT WE DO
12 WANT THESE IPS CELLS NOT ONLY TO BE USED FOR
13 ACADEMIC RESEARCHERS, BUT ALSO BY THE PHARMACEUTICAL
14 INDUSTRY FOR DRUG DISCOVERY, IT ACTUALLY WAS ELONA
15 BAUM WHO REALLY DROVE THAT AT THE TIME, WAS THINK
16 THROUGH HOW WE COULD ENSURE THAT THE CELLS THAT ARE
17 DEPOSITED HERE WOULD BE AS WIDELY AVAILABLE AND
18 EASILY AVAILABLE TO EVERYBODY, INCLUDING THE
19 PHARMACEUTICAL INDUSTRY.

20 AND SO ACTUALLY, AS PART OF THE RFA AND
21 REVIEW PROCESS, WE ASKED ALL THE APPLICANTS TO TELL
22 US ABOUT THEIR IP POSITION IN TERMS OF THEIR OWN
23 PATENTS AND LICENSES THEY HAD THAT WOULD ALLOW --
24 THAT ARE FOR THE COMMERCIAL USE OF THESE CELL LINES.

25 AND SO WHEN CDI WAS SELECTED, THEY DO HAVE

BARRISTERS' REPORTING SERVICE

1 A VERY STRONG PORTFOLIO OF PATENTS SURROUNDING IPS
2 CELL TECHNOLOGY. AND WHAT WE WILL BE ABLE TO OFFER
3 TO THE PHARMACEUTICAL INDUSTRY IS CELL LINES FROM
4 3,000 DONORS WHICH HAVE CLARITY AROUND THE IP THAT
5 EXISTS FOR THE VERY CELL LINES THAT THEY'RE BUYING,
6 WHICH MEANS THAT AT THAT POINT THEY CAN EITHER BUY
7 THOSE LICENSES THAT HAVE ALREADY BEEN NEGOTIATED AND
8 THEY KNOW EXACTLY WHAT THE PACKAGE LOOKS LIKE, BUT
9 THEY DON'T HAVE TO. THEY CAN GO AND NEGOTIATE THEIR
10 OWN LICENSES. SO IT'S A VERY DIFFERENT SUBJECT
11 MATTER THAN YOU SAID, BUT WE WERE DEFINITELY TRYING
12 TO FORESEE AND MAKE EASY THE USE OF THESE CELLS BY
13 INDUSTRY.

14 AND THE SECOND POINT I WANT TO MAKE IS
15 THAT ACTUALLY CDI, CORYELL, AND CIRM ARE GETTING
16 TOGETHER RIGHT NOW TO DESIGN OUR ADVERTISING
17 ACTIVITY AROUND THIS ACTIVITY WITH THE BANK OPENING
18 IN AUGUST. SO THAT OBVIOUSLY BOTH CDI AND CORYELL
19 ARE VERY INTERESTED THAT THESE CELLS WILL BE WIDELY
20 USED, INCLUDING BY INDUSTRY. SO THERE IS AN EFFORT
21 TO HAVE AN ADVERTISING CAMPAIGN FOR THE EXISTENCE OF
22 THIS BANK.

23 MR. SHEEHY: BUT WOULDN'T IT BE AN
24 INTERESTING THOUGHT PROCESS TO CONSIDER WHETHER IT
25 MAKES SENSE LOOKING FOR A SPECIFIC INDUSTRY PARTNER

BARRISTERS' REPORTING SERVICE

1 THAT WOULD COMMIT TO DEVELOPING PRODUCTS BASED ON
2 THESE LINES? BECAUSE WE WILL HAVE ALREADY DONE THE
3 FRONT-END INVESTMENT. I WONDER IF YOU MAKE THEM
4 AVAILABLE TO A WHOLE HOST OF PEOPLE WHAT BECOMES --
5 ARE THEY GOING TO COMPETE WITH EACH OTHER USING
6 THESE CELLS? IS THAT SOMETHING WE ANTICIPATE
7 HAPPENING, DIFFERENT PHARMACEUTICAL COMPANIES USING
8 THESE CELLS AND THEN RUNNING IT THROUGH THEIR
9 TARGETING? IT'S NOT CLEAR TO ME. I'M NOT A
10 BUSINESS PERSON, SO I DON'T KNOW HOW THE BUSINESS
11 MODEL SYNCS UP.

12 EUROPEANS -- THE PERSON WHO WAS DISCUSSING
13 EUROPEAN EXPERIENCE THOUGHT THAT THEY WOULD GET A
14 BETTER YIELD BY PARTNERING DIRECTLY WITH ONE COMPANY
15 WITH AN INTEREST IN DEVELOPING PRODUCTS IN THE AREAS
16 THAT THEY WERE BANKING.

17 DR. GRISHAMMER: THAT'S CERTAINLY
18 SOMETHING WE CAN TALK ABOUT AND THINK THROUGH.

19 CHAIRMAN THOMAS: UTA, HOW DOES OUR IPS
20 BANK STACK UP AGAINST OTHER IPS BANKS IN TERMS OF
21 SIZE, COMPREHENSIVENESS, AND ALL THAT SORT OF THING?

22 DR. GRISHAMMER: SO IN TERMS OF SIZE, IT
23 DEPENDS A LITTLE WHICH PUBLICATION YOU READ OR WHO
24 YOU TALK TO. THERE ARE SEVERAL EFFORTS OUT THERE TO
25 BE CREATING AN IPS CELL BANK FOR VARIOUS DIFFERENT

BARRISTERS' REPORTING SERVICE

1 DISEASES. AND I WON'T THROW OUT NUMBERS JUST
2 BECAUSE I DO HEAR DIFFERENT NUMBERS FROM DIFFERENT
3 PEOPLE, AND I DON'T KNOW WHAT THE REALITY ULTIMATELY
4 WILL BE FOR THE VARIOUS BANKS. SO THIS IS NOT THE
5 ONLY LARGE BANK. THREE THOUSAND TISSUE DONORS
6 INCLUDED IN A BANK LIKE THIS IS CONSIDERED
7 DEFINITELY A LARGE-SCALE BANK. THE NIH, THE
8 WELLCOME TRUST, THE EUROPEAN EFFORTS, THE NEW YORK
9 STEM CELL FOUNDATION, JAPAN ALL HAVE ACTIVITIES IN
10 THIS REGARD AS WELL.

11 IN TERMS OF THE DISEASES THAT ARE COVERED,
12 WE TRY TO ACTUALLY MAKE AN EFFORT TO MAKE SURE THAT
13 THERE WOULDN'T BE TOO MUCH REPETITION. WE ACTUALLY
14 EXCLUDED CERTAIN DISEASES COMING IN FROM THE GET-GO
15 BECAUSE CIRM WAS ALREADY PARTICIPATING IN AN
16 NIH-FUNDED PROCESS FOR FUNDING IPS CELL BANKING FOR
17 SEVERAL NEUROLOGICAL DISEASES.

18 IN ADDITION, WE ASKED OUR APPLICANTS TO
19 TALK ABOUT THE COMPETITIVE OF THEIR DISEASE AS BEING
20 PART OF AN IPS CELL BANK IN TERMS OF WHAT WAS KNOWN
21 AT THE TIME OF WHAT EVERYBODY WAS GENERATING, BUT IT
22 WAS REALLY NOT THAT KNOWN. SO REALLY THE COMMENT I
23 WANT TO MAKE IS THAT THERE WILL BE PROBABLY OVERLAP
24 BETWEEN THE CIRM BANK AND SOME OTHER BANKS IN TERMS
25 OF AN EXACT TYPE OF DISEASE THAT IS GOING TO BE

BARRISTERS' REPORTING SERVICE

1 INCLUDED, BUT I THINK ACTUALLY THAT COULD BE TO THE
2 BENEFIT FOR THE RESEARCH COMMUNITY WHERE PEOPLE OF
3 DIFFERENT ETHNICITIES, FOR INSTANCE, WOULD BE
4 INCLUDED IN ONE BANK, LET'S SAY, WITH ALZHEIMER'S
5 DISEASE VERSUS OUR BANK WITH ALZHEIMER'S DISEASE.

6 CHAIRMAN THOMAS: THANK YOU. ANY OTHER
7 COMMENTS BY MEMBERS OF THE BOARD? THANK YOU VERY
8 MUCH FOR THAT UPDATE.

9 DO WE HAVE ANY REMAINING PUBLIC COMMENT ON
10 ANY PARTICULAR TOPICS? OKAY.

11 HEARING NONE, COUPLE OF CLOSING COMMENTS.
12 NO. 1, I'D LIKE TO CONGRATULATE SCOTT TOCHER FOR
13 YESTERDAY GETTING HIS PILOT'S LICENSE.

14 (APPLAUSE.)

15 CHAIRMAN THOMAS: HE JOINS DR. MILLS AS, I
16 BELIEVE, THE ONLY TWO PILOTS INVOLVED IN THIS
17 OPERATION.

18 DR. MILLS: WE'RE STARTING AN AIRLINE.

19 CHAIRMAN THOMAS: AND SHOULD YOU HAVE
20 PROBLEMS, AS YOU ALWAYS DO, GETTING IN OR OUT OF
21 SFO, YOU MIGHT CHOOSE TO GO FLY AIR TOCHER AND AIR
22 MILLS.

23 MY SECOND COMMENT IS AND CLOSING COMMENT,
24 WITH OPENING DAY TWO WEEKS AGO OR TWO WEEKS FROM NOW
25 AND HAVING WEATHERED AND SUFFERED THROUGH THREE

BARRISTERS' REPORTING SERVICE

1 GIANTS WORLD CHAMPIONSHIPS IN THE LAST FIVE YEARS,
2 ENOUGH ALREADY. GO DODGERS. WE STAND ADJOURNED.

3 MS. BONNEVILLE: OUR MAY BOARD MEETING
4 WILL NOT BE IN SAN DIEGO AS IT SAYS ON THE SCHEDULE.
5 THAT WILL BE IN SEPTEMBER. SO THE NEXT BOARD
6 MEETING WILL BE IN THE BAY AREA.

7 CHAIRMAN THOMAS: THANK YOU, EVERYBODY.
8 WE WILL SEE YOU IN MAY.

9 (THE MEETING WAS THEN CONCLUDED AT
10 02:49 P.M.)

11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BARRISTERS' REPORTING SERVICE

REPORTER'S CERTIFICATE

I, BETH C. DRAIN, A CERTIFIED SHORTHAND REPORTER IN AND FOR THE STATE OF CALIFORNIA, HEREBY CERTIFY THAT THE FOREGOING TRANSCRIPT OF THE PROCEEDINGS BEFORE THE INDEPENDENT CITIZEN'S OVERSIGHT COMMITTEE OF THE CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE IN THE MATTER OF ITS REGULAR MEETING HELD AT THE LOCATION INDICATED BELOW

THE CLAREMONT HOTEL
44 TUNNEL ROAD
BERKELEY, CALIFORNIA
ON
MARCH 26, 2015

WAS HELD AS HEREIN APPEARS AND THAT THIS IS THE ORIGINAL TRANSCRIPT THEREOF AND THAT THE STATEMENTS THAT APPEAR IN THIS TRANSCRIPT WERE REPORTED STENOGRAPHICALLY BY ME AND TRANSCRIBED BY ME. I ALSO CERTIFY THAT THIS TRANSCRIPT IS A TRUE AND ACCURATE RECORD OF THE PROCEEDING.

BETH C. DRAIN, CSR 7152
BARRISTERS' REPORTING SERVICE
160 S. OLD SPRINGS ROAD
SUITE 270
ANAHEIM, CALIFORNIA
(714) 444-4100